

NOV 24 1931

NOVEMBER 21, 1931

The Weekly Magazine for
MARKETING EXECUTIVES

SALES *management*

**Have Salesmen Gone
Soft?**

**Surplus Income—How
to Estimate and Use
It in Sales Work . .**

**Government Releases
First State Figures
on Wholesale Sales .**

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"Design" must be on your side in 1932 or the battle for business will be lost. More machines are now in process of design than ever before, but only sound and progressive engineering ideas will win supremacy. Forward looking Sales Generals are marshalling all their forces for the "Big Push." They are cooperating with their Engineering Departments in the strengthening of their "Service of Supplies." They are making certain that no new method, material or part is being overlooked that might increase the salability of their machines. Through their advertising in Machine Design the companies whose products are listed on this page are demonstrating their readiness for the fray. Your Engineering Department needs the design ideas their Sales Engineers have to offer to win the war of 1932.

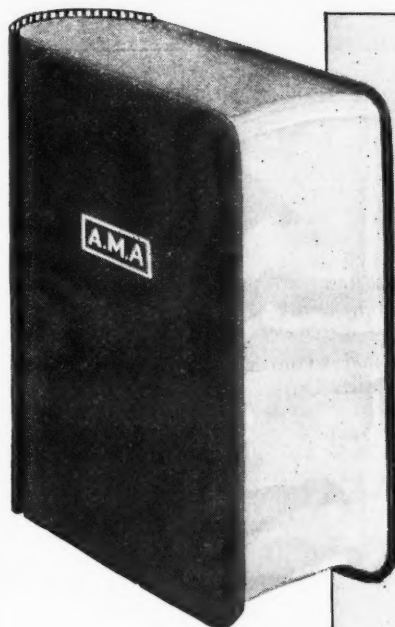
MACHINE DESIGN

PENTON BUILDING · CLEVELAND, OHIO

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AMERICAN MANAGEMENT ASSOCIATION'S *New* HANDBOOK OF BUSINESS ADMINISTRATION



... Gives 5 Reasons for Big Growth in Branches

We quote the following with permission from pages 1009-1011: "WHY A BRANCH ORGANIZATION? In the past few years there has been a definite movement towards parent concerns establishing branches. The Commercial Service Company reported that for the month of August, 1929, alone 52 new chains and 937 branches were established. They may be factories, warehouses, sales headquarters, or complete, almost self-contained units. Why this activity?

- 1** "Hand-to-mouth buying becoming the national merchandising policy since the war is one prime cause. The retailer refuses to carry heavy stocks. The manufacturer or distributor must, therefore, carry ample stocks to have them readily available. This means branch factories, or branch warehouses, or branch offices strategically located.
- 2** "Accessibility of markets ranks high as a factor. Management is now under heavy pressure to get the business. Branches are located where the business is or is thought to be.
- 3** "Competition comes in for its share—though this is less a factor than one might first think.
- 4** "Costs have risen. Transportation is a heavy cost factor in many lines.
- 5** "The chief and most consistent reason, however, in establishing branches is 'service to customer' and its related factor, 'personal nature of service rendered.' This is a far cry in corporate management from the good old trust-busting days of twenty years ago. Service—the spirit of progressive American business."



Learn Why 437 Concerns have Opened Branches in Dallas in 1930 and 1931

All of the five reasons for the expansion of branches quoted above apply with great force to Dallas. Two hundred and forty-one branches were located in Dallas in 1930—an increase over 1929—and to date 196 branches have come in 1931. Briefly, here are some of the reasons: (1) Dallas' strategic location in the center of the Southwest market of 12 million persons with annual incomes totaling 6 billion dollars; (2) Dallas' transportation advantages with the lowest costs of delivering goods to all of this market, because of the Southwestern mileage

scale of rates; (3) the new free store-door delivery and pick-up service up to 300 miles recently inaugurated by Southwestern railroads, which gives concerns with facilities at Dallas full advantage of this new ruling.

Other reasons for the rapid trend toward Dallas are tax, labor, raw material, fuel, financial and warehousing advantages. All are presented concisely in a 144-page book, "The Southwest Market", free to executives. Write on your letterhead or use the coupon.



Dallas

Southwestern Headquarters
to American Business

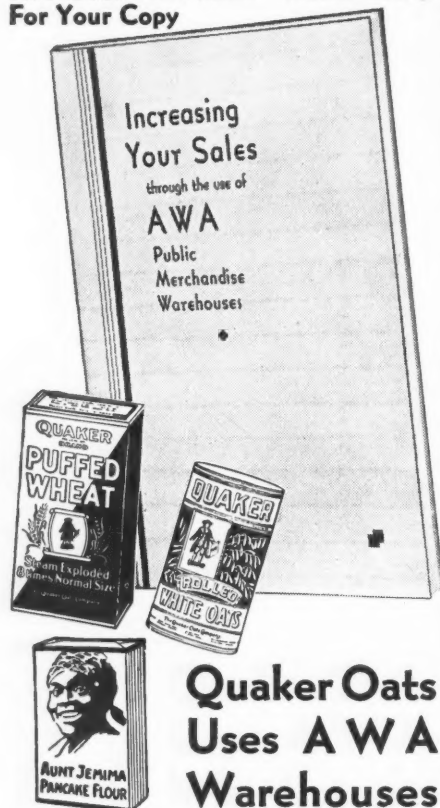
EXECUTIVE COUPON

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617 Chamber of Commerce Bldg., Dallas.

Please send free copy of your new book, "The Southwest Market", to:

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**Quaker Oats
Uses AWA
Warehouses
to Give Better Service
—and so can you!**

IN 126 cities of the United States, Canada, Cuba and Hawaii, member warehouses of the American Warehousemen's Association can do everything for you that your own branch house could do in the physical distribution of your goods. And they can do it for less money than it would cost you to operate a branch in any of those cities!

The manufacturers who are most successfully weathering the depression are those who distribute their goods efficiently and economically through public merchandise warehouses. They give their trade immediate delivery from strategically placed spot stocks. "We use public warehouses to a considerable extent in the larger distributing centers of the country," says C. A. Bowman, vice-president in charge of cereal sales for The Quaker Oats Company. "This warehousing is done not alone with the idea of saving money—but in all cases to give better service in the distribution of our products, where emergency needs are required by the distributors."

To make money these days, manufacturers must successfully maintain closer contacts with their retail trade. Dealers everywhere have been forced to hold store stocks to a minimum, relying on prompt delivery from the manufacturer's organization to supply needed goods. If the manufacturer can't deliver... the business goes to a competitor. The solution is to distribute your merchandise—raw materials, manufactured articles and service parts of every kind—through strategically located AWA Warehouses.

✓ WRITE FOR FREE BOOK

Full details of the AWA Plan of Distribution are described in our 32-page booklet: "Increasing Your Sales Through the Use of AWA Warehouses." Have your secretary write today for your copy.



**AMERICAN
WAREHOUSEMEN'S
ASSOCIATION**

1960 Adams-Franklin Bldg., Chicago, Ill.

Survey of Surveys

BY WALTER MANN

YeA.A.A.A. St. Louis!!!

Fourth of a series of A. A. A. A. investigations of the newspaper circulations of important cities in the United States (other three cities are Detroit, Washington and Boston), this particular study is an intensive analysis of the newspaper reading habits of St. Louis, Missouri. It was made with typical 4-A impersonality by Dr. Daniel Starch, and was sponsored financially by the St. Louis *Globe Democrat*.

The stated purpose of this study was "(1) to classify the readers of the various St. Louis newspapers by occupation and family income, and (2) to determine the amount of overlapping in the circulations of the various St. Louis newspapers."

As is customary in Dr. Starch's previous studies of this type, this study was made by the "sampling" method, i. e., by the selection of what is felt to be an adequate test-tube sample or cross-section of the total families—in proper proportions "geographically, economically, socially or otherwise." Personal interviews were had with 6,426 people (5,427 in urban limits and 999 suburbanites), who were in turn divided into six income classes (based on occupations and retail values), i. e., \$999 a year and under, \$1,000-\$1,999, \$2,000-\$2,999, \$3,000-\$4,999, \$5,000-\$9,999, and \$10,000 and over. These figures were then projected up to the total families by percentages and by actual figures and are given in four main tables.

Table I gives the total number and the percentages of the families in the urban and suburban area in each income classification—determined as above described.

Table II gives the percentage and the amount of urban and suburban circulation as well as the percentages of circulation to families in each of the above-mentioned income classes for each of the St. Louis newspapers, starting with the sponsor, the *Globe Democrat*.

Table III gives the per cent of circulation to families of all four daily papers in each of these income classifications. Also for Sunday papers for the *Globe Democrat* and *Post Dispatch*. There is given, too, the estimated amount of circulation and the percentages of circulation to families in each income class on the same basis.

Table IV goes into the question of overlapping circulation and compares each paper with the other—both daily (for four papers) and Sunday (for two). Also the overlapping of circulation paper by paper in income groups.

Other interesting tables and graphs and a detailed comment on the reliability of the method make up the balance of this 64-page semi-flexible leather-covered survey.



Pirie MacDonald
Walter Mann

"Two other surveys," says the A. A. A. A. mouthpiece, "are now in progress. Field work has already been completed in Buffalo and the results are being compiled and analyzed." Field work has also begun in Philadelphia for a similar study, the report states.

Arkansas Dailies

Eighteen daily papers, starting with the *Arkadelphia Siftings-Herald* and ending with the *Wynne Progress*, got together under the heading of Arkansas Dailies, Inc., 1115 Boyle Building, Little Rock, Arkansas, and published these eight pages and cover—full of facts about their respective cities and the papers representing those cities. Eight pages only, but pure unvarnished facts with sources given in the most approved statistical manner. Figures on the county areas served by these papers vs. the circulation would have been more revealing if they had also been given in terms of families, as they are on a subsequent page. Given also are the number of retail groceries, drug stores and tobacco stores, the total number of wholesale and retail outlets and the breakdown of city and "rural and other" circulation of the paper covering each particular county. Other figures given are the total population, also the white, negro, farm and family population of all Arkansas counties. Given also are the percentages of families with radios, the number of individual Federal income tax returns, the percentages of families with telephones, of motor vehicles, the gasoline consumption in gallons, the number of miles of hard-surface roads, the number of manufacturing establishments, the average number of wage earners, the number of farms, the average number of acres per farm and the average value of land and buildings per acre, all by counties. On other pages are statistics enough about Arkansas to satisfy the average space buyer for the rest of his life. More statistics about eighteen papers in eight pages than you ordinarily get in a newspaper promotion piece of forty-eight pages. Get yours from the address given above.

United States Summary of Retail Distribution (Distribution No. R-36)—A summary report of the principal national and state figures of retail distribution by the nearly 1,550,000 stores, filling stations, restaurants and other retail establishments of the country. Figures are presented by states for population, number of stores, per capita sales, etc., for the year 1929. Government Printing Office, Washington, D. C., (Free) 18 pages.

Marketing Principles—by John Freeman Pyle. A textbook presenting a method of analysis and a body of facts aimed to aid in a fuller appreciation of the importance of a thorough knowledge of the marketing process and clearer understanding of the problems connected with the effective buying and selling of tangible goods and services. McGraw-Hill Book Co., Inc., 370 Seventh Avenue, New York City. (\$4.00) 565 pages.

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What's New

¶ Studebaker's Paul Hoffman, who contributes the leading article this week, was recently awarded a medal at a meeting of the Honorable Old Guard, in recognition of twenty years of service with the corporation. Albert R. Erskine, president of the company, and John F. Cotter, general counsel, received a similar honor. Mr. Hoffman joined Studebaker in 1911 as a retail salesman in Los Angeles. He is now vice-president in charge of sales.

¶ We have a spirited difference of opinion expressed this week in letters from two Middle-westerners. George Willman thinks salesmen have gone soft, George Carrington says they have not. Pages 270-271.

¶ Next week: E. W. Lewis, Jr., Director of Sales, Detroit Vapor Stove Company, explains the policies which have brought that company an increase in sales every year since its inception.



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How to Speed Turnover in 1932

S-S PAYMENT ON SHIPMENT ORDER

Safety-Shipment Forms, Harvey Page, New York City.

Order No. _____ 193__

Shipper _____

Ship to _____ Customer _____

Address _____ City _____ State _____

TERMS: Check with order. Check not negotiable unless accompanied by carrier's receipt (proof of shipment) bearing duplicate serial number. The purpose of this form is to protect both buyer and seller, and is sold only to responsible companies. Misrepresentation of goods or abuse of the form or check in any way will result in punishment to the full extent of the law.

S-S No. 99-999

Page System of Payment on Shipment, © and Pat. App. for

Signature of agent

Authorized purchase signature

S-S CHECK

No. _____ City _____ State _____ 193__

Pay to the order of _____ \$ _____

Dollars

For value received, I represent that the above amount is on deposit with said bank subject to this check, and I hereby assign said amount to the payee.

Bank _____

City _____

S-S No. 99-999

Page System of Payment on Shipment, © and Pat. App. for

Safety-Shipment Forms, Harvey Page,

New York City.

S-S FORMS sold only by banks.

This receipt retained by shipper

Order No. _____

CARRIER'S RECEIPT: Must Accompany Check Bearing Duplicate Serial Number.

Ship to _____

RAILWAY EXPRESS AGENCY, Inc.

(Printed in U. S. A.)

Original Uniform Express Receipt

From _____

NON-NEGOTIABLE

Page System of Payment on Shipment, © and Pat. App. for

Page System of Payment on Shipment, © and Pat. App. for

COLLECT

S-S No. 99-999

S-S No. 99-999

Collect Receipt Number

Issued at _____ Date _____ 193__

Received from _____

Address _____

Article _____ Weight _____

Consigned to _____

At _____

Value herein declared by Shipper to be _____ Dollars

Which the Company agrees to carry upon the terms and conditions printed on the back hereof, to which the shipper agrees, and as evidence thereof, accepts and signs this receipt.

Shipper _____

For the Company _____

Railway Express Agency, Inc.

Date _____	
Number Pieces	Weight
Declared Value	

Spaces for R. R. and Junction Stamps

(1) _____

(2) _____

(3) _____

(4) _____

The top part of the S-S Form (see above reduced facsimile) is the signed order which your salesman gets from the buyer (or your regular order blank may be used and attached to this form); the second is the buyer's check in payment, in full or in part, which specifies that the amount is on deposit at a designated bank, and definitely assigns the amount to the payee; the third is the customary carrier's receipt to the seller; at the lower right a duplicate receipt, retained by the carrier.

The form assures you, the shipper, of payment upon shipment through eliminating the refusal by the consignee to accept or pay for the goods, as is sometimes the case in Sight Draft, C. O. D. and Parcel Post shipments. Your capital is tied up only the time necessary to clear the payment on shipment check, an average of only seven days! The buyer, in the case of most companies using these forms, receives a lower price, known as an S-S price.

For complete details and advice on how to apply these forms to any special conditions pertaining to your business write to

HARVEY PAGE
GEN. MGR.

SAFETY SHIPMENT FORMS

N. Y. CENTRAL BLDG.
NEW YORK, N. Y.

If you were assured of immediate payment-on-delivery your costs would be lowered, you could safely reduce your selling price—and at the same time turnover would be speeded up (a possibility of 48 times a year!), and profits increased.

Safety Shipment Forms—known as S-S Forms—will accomplish these things. Reduced facsimiles are shown at the left.

The S-S Form is one instrument consisting of order, payment, and shipment—a complete record, all bearing duplicate serial numbers.

The S-S Form operates as follows:

On regular Railway Express shipments, immediate payment of S-S CHECK upon proof of delivery (express receipt) of goods to Railway Express Agency.

Shipments by seller's own truck—immediate payment of S-S CHECK upon forwarding to consignee shipper's delivery receipt by Railway Express; Railway Express receipt releasing S-S CHECK for payment.

Deliveries by local trucks, express companies or messenger, forward delivery receipt by Railway Express to consignee; Railway Express receipt releasing S-S CHECK for payment.

Freight shipments—immediate payment of S-S CHECK by delivering proof of shipment (Bill of Lading) to Railway Express for delivery to consignee; Railway Express receipt bearing duplicate serial number releasing S-S CHECK for payment.

Instead of gambling as to whether the goods will be accepted, when and how the bill will be paid, S-S Forms give you a *non-cancelable order* accompanied by a *non-stop check*.

S-S Forms have been approved by the law and traffic departments of the Railway Express Agency, Inc., the legal department of the American Bankers Association, and the National Association of Credit Men.

The cost is nominal. Books containing 100 forms are immediately available through local Associations of Credit Men and Railway Express Offices, or upon application to your bank.

Significant Trends

As seen by the editors of Sales Management for the week ending November 21, 1931

• • • Retail trade was hurt last week by continued warm weather, but sentiment remained distinctly cheerful. "Almost complete uniformity marks reports of a change for the better," says Bradstreet's. The wholesale trade is already turning from Christmas business to preparation for January sales.

• • • A good deal of encouragement was given by the report that Christmas club funds this year amount to \$600,000,000, only 2 per cent less than last year. Of the same helpful character was the evidence forthcoming that money is coming out of its hoarding places, indicating a return of confidence among those who were alarmed by the bank failures.

• • • President Hoover's recommendation that twelve home loan discount banks be set up is regarded as a step in the direction of encouraging home building by providing a means of releasing mortgage money. Better business would do the job even faster and more effectively.

• • • Revival this week of the movement for higher wheat prices had a stimulating effect. Business men were inclined to regard the earlier advance as purely speculative in origin. A sustained rise would go a long way in strengthening expectation of better commodity prices.

• • • Department store sales in October increased more than seasonably, a cheerful inference which is based on the volume of goods disposed of rather than on dollar receipts.

• • • The index number of business activity last week was practically the same as the week before. Some revival of steel production was offset by a decline in electrical power output.

• • • Average commodity prices gained only slightly last week, the Irving Fisher index number being 68.5, compared with 68.3 the week before. British prices continued to advance, the Crump index number moving up to 67.4 compared with 66.7 for the previous week.

• • • The automobile industry is preparing for a definite program of expansion next month, according to Detroit advices. Well-informed people there are talking of an output in the last month that will exceed year-end totals since 1928.

• • • Preparatory to renewed production activity, Ford Motors is making important changes in its power plant at Rouge, increasing the capacity of some units from 450,000 to 700,000 pounds an hour. Former employees are being taken back in large numbers every day.

• • • Some improvement in sales and collections is noted in the current monthly credit survey of the National Association of Credit Men.

• • • Exports in October rose sharply, the value of them being larger than in any month since May, while imports fell off to the lowest point they have reached since

August. The result was a large gain in the favorable balance, the amount being \$36,000,000.

• • • The Department of Commerce is advising exporters to protect themselves from loss in depreciated foreign currencies by advancing their prices for goods sold abroad or by arranging for payment in dollars.

• • • The action of the British government in giving the Board of Trade power to impose a tariff on manufactured goods from other countries is regarded by exporters as an adroit device to prevent dumping, pending consideration by Parliament of a tariff law. Only about one-quarter of our exports to the British islands are of manufactured goods.

• • • Chain stores—159,826 of them, a tenth of all retail stores—the Census of Distribution tells us, did more than a fifth of the country's retail trade in 1929. The share of the national chains, of which there were only 321, was 9.6 per cent and that of the 1,136 sectional chains 4.8 per cent. The 5,529 local chains got 7.1 per cent.

• • • The extent to which the chains have developed in a number of important fields is shown in the following table:

COMMODITY—	CHAINS	STORES	SALES
Food	1,448	61,346	\$3,508,923,218
General merchandise	664	12,034	2,202,235,975
Apparel	1,243	17,210	1,197,082,311
Filling stations	864	30,038	629,024,296
Motor vehicles	166	1,290	616,051,049
Drug	249	3,585	312,301,721
Restaurants	287	3,361	298,843,423
Home appliances	262	4,472	191,547,403
Electric and gas appliances...	218	3,999	171,449,051
Tobacco	90	2,218	102,733,330
Other	1,555	20,273	1,541,737,257
Total	7,046	159,826	\$10,771,934,034

• • • The whole number of retail stores was 1,649,168 and their volume was \$50,033,850,792. The average sale of the chain stores was \$67,398 compared with \$26,362 for the independent dealers. (An editorial note on the subject will be found on page 290.)

• • • October sales of forty-seven chains and mail-order houses amounted to \$337,363,449, a loss compared with those of October, 1930, of 8.25 per cent. The mail-order business fell off 23.92 per cent.

• • • Current information from Washington indicates a prevailing trend at the capital to increase income taxes, especially in the upper income brackets. Talk of a general sales tax continues. (SALES MANAGEMENT'S Washington correspondent comments further on this subject. See page 286.)

• • • Melville Shoe sales in the first ten months of this year amounted to \$22,044,077, a decrease from the sales in the same months last year of only 5.5 per cent. The number of shoes sold was considerably larger than in 1930.



Many of the basic principles Knute Rockne (inset) used in developing championship Notre Dame football teams have a direct application to the problems of sales management. *Wide World Photo*

What Rockne Taught Studebaker about Teamwork in Selling

BY PAUL G. HOFFMAN

Vice-president, The Studebaker Corporation, South Bend, Indiana

FOR a number of years The Studebaker Corporation has made an intensive study of sales management in the automotive field. Strange to say, we learned more about the subject from Knute Rockne than from our own experience, our study of textbooks or our research. I say strange, but it becomes entirely logical when one considers that Rockne was the world's most successful coach and that there is the closest possible analogy between coaching football and handling a sales force.

It is the sales manager's job

to select, train, supervise, inspire and compensate his salesmen. It is a coach's job to select, train, supervise and inspire his football players. Some coaches, if Dame Rumor is right, also consider it their job to compensate them, but Rockne wasn't that kind of a coach.

It was my privilege to know Rockne well and to know something at least of the methods he employed in developing the champion Notre Dame teams. My extreme admiration for him is best shown by the fact that at the time of his death he occupied an important sales post with us and was destined to go far had he lived. It is my purpose to pass on to you the results of my study of Rockne's methods, showing their application to the sales field.

Studebaker profits for the third quarter this year dropped only 9%

Selection—As a result of keen observation and analysis, Rockne knew the mental and physical qualities needed in a good football player. He was less interested in past performance than in potentialities. The swarm of boys who answered his call for spring practice knew that they would be judged by what they showed on the field rather than by their high school records. The boy who showed that he could think fast and run quickly, and who threw himself wholeheartedly into every play, had a far better chance for the squad than the boy who might display better technique. Rockne was constantly uncovering talent. He picked George Gipp, the greatest of all Notre Dame players, off the campus. Gipp had not intended to play football when he entered Notre Dame, but Rockne recognized his unusual natural talent and urged him to make a try for the team. Rockne knew the kind of body and brain and heart a football player had to have to make good. He was credited with being lucky in the type of material he had available. It wasn't luck, but a combination of knowledge, keenness and unfailing alertness.

Very few sales managers have precise knowledge of the mental, physical and spiritual qualities they are looking for in salesmen. They spend too much time reading testimonials rather than checking for fundamentals. They are still far more interested in star salesmen of competitors than in the potentialities of men in other

fields who may with the right development far outshine those stars. Right now, today, there is an unusual opportunity to attract men of great possibilities into the selling field. The time is ripe for the selecting of champion sales material.

Training—In the field of training, Rockne was superb and perhaps supreme. He selected wisely but it was his proficiency in teaching that made it possible for him to take a conglomerate aggregation of Americans, Germans, Italians, Belgians, Swedes and Irishmen, and year after year develop them into a great fighting Irish team.

First of all he implanted in his men the attitude that they must have and hold toward their teammates. No prima donnas were wanted. The greatest player was valuable only so long as he functioned harmoniously as a member of the team. He used various devices to keep his boys in line, for the publicity given certain individual players was enough to turn the head of a university president, let alone a college boy. Here is one of

from 1930 in spite of a 45 per cent drop in sales—and net profit margin

them described in Rockne's own words:

"A few years ago I began the practice of putting up signs in the locker rooms where the boys had to read them. I put up a half-dozen signs, figuring that would impress certain things on their minds. One sign which applied in this particular case read, 'Success is based on what a team does, not on how you look.' The result is I have not had much trouble along that line since. Now and then, of course, I may have to hang up that sign in an individual locker. When I do the boy will bring the sign back to me and say, 'You got me all wrong, Coach.' And I say, 'Was that hanging in your locker? Oh, I beg your pardon.' But it has its effect just the same."

Another question of attitude came in for great stress by Rockne in his training. He demanded that every Notre Dame play, other than a punt or play for position, be a play for a touchdown. Every man had his assignment in every play and if each one handled it a touchdown resulted. Nothing less than this was satisfactory. Other coaches might be content with plays designed for five or ten yard gains, but he wasn't. It was the

play for a touchdown with him. He demanded perfection.

When it came to instruction in football technique, Rockne's first insistence was on fundamentals. He lectured and lectured on blocking and tackling. On the field he drilled and drilled in blocking and tackling, and until the player had achieved perfection in these fundamentals he had no chance to make even the fifth team, let alone the first.

Rockne's insistence on fundamentals takes on added interest when one realizes the extent of his knowledge of football science. It is not exaggerating to say that he knew all there was to know about football. He was the master strategist of the game, the daring inventor of new plays and new types of plays. He was the cleverest coach in the game, but he placed his chief reliance on perfect blocking and tackling.

Rockne's demand for perfection in the fundamentals carried over into a similar demand for the perfection of detail in the execution of plays. The almost mechanical precision with which his Notre Dame teams executed one play after another was the result of thorough drilling. Every man was watched and every man had to do his part. Remember, every play called for a touchdown. If it didn't succeed, some

increased, a striking example of efficiency in meeting conditions

player or players had failed to carry out their assignment. Rockne knew who they were and why they failed. Listen to his own words as to the analysis to which his plays were subjected. It appeared in a letter he wrote to Studebaker sales managers.

"Here is some inside stuff. The only reason we manage to win games is because we have worked and worked and *worked* to develop every man on the squad to his highest point of playing efficiency.

"Out at Notre Dame we have our 'Control Plan'—only we call it our 'chart of play.' If I had to coach football without it, I would probably quit coaching. This chart tells us everything we want to know about what happened in previous games—and shows us just where we can improve on the individual performance of every man.

"How many times did Schwartz carry the ball? How many times did

(Continued on page 295)

Have Salesmen Gone Soft?

By GEORGE L.
WILLMAN

Sales Counsel, Chicago

(The really amazing number of companies that have made 1931 a busy, profitable year—in some cases, even a record-breaking year—is eloquent testimony that at least some salesmen have outfought conditions and proved themselves worthy of the finest things the word "salesman" implies. While these records were being made, other concerns in identical lines of business seemed to have stopped on dead center. What accounts for the difference—lack of leadership? Readers who missed the article referred to in Mr. Carrington's letter, which appeared in *SALES MANAGEMENT* for August 22 under the title "How Should a President Talk to His Salesmen?" will find, quoted there, the letter which moved Mr. Carrington to take up lance and spear in defense of all salesmen who have had to buck depression conditions in the field. The two letters printed here express unusually interesting contrasts in point of view. It happened that they came to the editor's desk in the same mail.—THE EDITORS.)

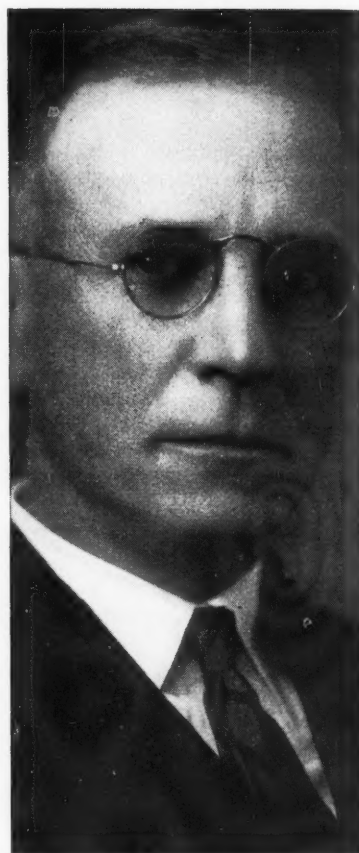
RECENTLY the sales experience of Compton's Pictured Encyclopedia came to my attention. They sell in every part of the United States through about 4,000 women. Men have been completely eliminated from the home canvass and

*SALES MANAGEMENT has asked Mr. Willman to tell the story of the Compton selling plan in an article.

are used only for industrial and educational (with educational institutions) contacts. Out of the 4,000 listed agents about 800 really produce, and they do a most excellent job of producing.*

Their experience embodies, I believe, some interesting sidelights on getting business under present conditions. If their experience is any criterion, I believe it would be a good thing for about half the sales organizations in this country to fire their prosperity-spoiled, inefficient, lazy, unintelligent and otherwise rotten salesmen and put on women to take their place. I am absolutely sick and tired of the kind of sales managers and salesmen that are going around telling each other "there is no business" and otherwise waiting for the effortless days of 1925-1929 to return. I think it is a blessing to this country that those days and the kind of business men they bred are gone forever.

Compton's young women will take a depression-ridden town, go from house to house and dig up a good business where the citizens are supposed to be on the dole, or at the mercy of the charitably inclined. Here is a country with banks so full of money they can hardly close the doors, with 120 million people eating, *drinking*, going to football games by the thousands at \$4 a seat, crowding the movie houses to overflowing, bulging out the sides of big department stores to buy goods, and yet we have the soft-muscled and soft-headed business successes of 1929 wondering when prosperity will come back. Magazines like yours wisely cater to those constituents and admit that business is hard to get and it takes supermen with super-plans to get it. Why don't you rise up on your hind legs and throw out your front feet and smack some of these lazy loafers down with some



Yes!

Says Willman

real facts, and stop petting and coddling them?

When I was a boy on a farm, we used to raise chickens, and as long as the corn lasted we spoiled them, and when the corn played out you know that those darned hens wouldn't for the life of them go out and scratch for an angleworm like they used to—we actually had to take a fork and go out and dig worms for them so they wouldn't starve to death. Of course we needed eggs, and hens must have some fat on them to make good stew, so perhaps, after all, you will have to keep on using the old fork and dig angleworms for the spoiled salesmen.

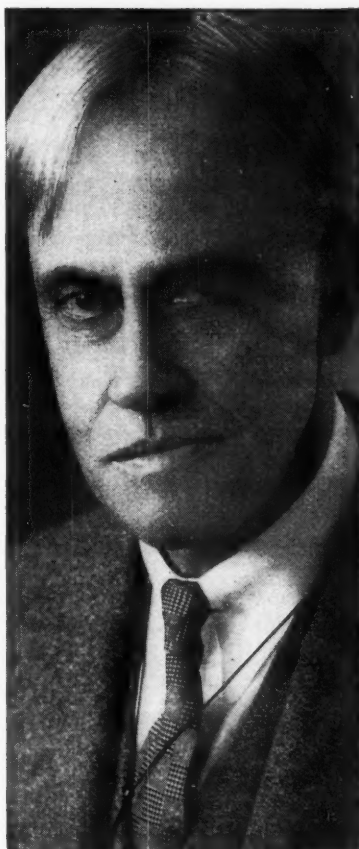
P.S.: Speaking of prosperity, the story is told that after placing a two-inch ad in the *Chicago Tribune*, advertising ladies' handbags at \$2.95 each, the Marshall Field store sold \$65,000 worth of these bags during the sale.

The Pair of Letters Printed Here Came

The country's full of money and carloads of orders are waiting for salesmen with the energy and fighting spirit necessary to dig 'em out. Because orders came so easily in boom years the men have lost all conception of the meaning of real work. They are spoiled and lazy. So declares Mr. Willman.

By GEORGE
D. CARRINGTON

*Sales Manager, Western Metal
Specialty Company,
Milwaukee, Wis.*



No!

Says Carrington

A GAIN I must read that letter of Mr. Davey's to his representatives (see SM Aug. 22). I find it again in the October number of the *Hardware Age*. Every time I read it, it is a challenge to speak out for the salesmen who have fought this year as men have never fought before for business.

President and sales executives—and others who have not been "at the front"—may like Mr. Davey's letter. I do not like it because so far as my experience goes with my own salesmen and with other salesmen I know and have seen, these men—every last one of them—have worked desperately for orders . . . desperately and intelligently. Do you think a man whose very existence depends on his sales is going to be "afraid to ask for an order" or to make calls "half-heartedly"? Is he going to fail in his part when the food for his family is in the balance?

Mr. Hahn says they "shy at buyers"; that they have a "thoroughly whipped attitude." No such salesman has visited me this whole year. The opposite has been true. I have been out with

my salesmen; I have fought the battles with them. I have seen big orders go down time after time—after days of work on them—after all known methods of selling were brought to bear. They went down to defeat because there were no adequate funds to use in buying and the lack was not theoretical or hysterical. It was exact; the cold figures showed it.

Go to the Kansas farmer whose year's labor is a pile of wheat lying on the ground, worth less than the cost of threshing. Sell that farmer something. Go to it, Mr. Hahn or Mr. Davey! Let's see *you* do it.

The Wisconsin tobacco growers, the dairy farmers—getting less for their products than the cost of production—all need and want various articles of farm machinery. They are willing and ready to buy as soon as they can see their way clear to pay for what they

Times are hard and the depression is real. Salesmen have made a gallant fight. They are neither lily-livered nor chicken-hearted. They are working harder than they have ever worked before. Salesmen deserve credit and praise—not criticism for their failure to produce. So avers Mr. Carrington.

buy. Try to sell them something beyond necessities! Try the Georgia peach growers! Investigate the condition of the school districts of Alabama; see if the \$15,000,000 indebtedness and no funds is psychological or real.

True, a salesman is licked before he starts if his attitude is one of despair and defeatism . . . but I submit that he has had sufficient to contend with to take the morale out of any one and still he fights. I defy any sales editorial writer or anyone to go out and do more than the country's salesmen have done.

These ballyhoo trumpet blowers are maddening! They have never seen a real salesman do real work. Some of us have. We have seen him work and sell—fight and win—pile up credits to his accounts—make his company owe him five, seven, eight, ten, seventeen thousand dollars! These same salesmen are working harder than ever before. They are denying themselves of all things but necessities. They go by day and far into the night. They have driven and striven like warriors—but many of the best of them have barely made a living.

Buying is *not* apparent; orders are *not* being given; there is a money shortage that is real. Why not recognize a fact and let it be impressed upon the hearts and minds of sales managers and writers so that it will be revealed in a more sympathetic attitude toward salesmen?

to the Editor's Desk in the Same Mail

Surplus Spendable Income—A Target for Sales Managers

BY F. S. WILSON

Chief, Business Research Section, Marketing Service Division, Department of Commerce, Washington, D. C.

THE standard of living of the American people, while it climbs steadily, nevertheless presents a fairly stable picture when considered at any given moment. By that I mean that expenditures by the family for automobiles and furniture, as well as for food, housing and clothing, are accepted as essential expenditures, necessary to maintain the standard of living. This is important when we attempt to measure the expenditures of a certain community against the spendable income of that community, in an endeavor to determine what, if any, surplus is available for which sales managers may fight.

We must assume that any spendable surplus of income is *over and above* customary expenditures, and that sales efforts to capture such surplus must be based on appeals strong enough to make the average family spend what it many consider a reserve, a financial anchor to windward.

My purpose in this article is not to suggest such sales methods, but to indicate a method for measuring the spendable surplus, based on a consideration of population figures, the census of retail distribution, and the statistical method employed by SALES MANAGEMENT in computing per capita spendable income by counties of the United States.*

For the purpose in hand I have selected Detroit, because the Bureau of Labor Statistics of the Department of Labor has made there comparatively recent studies of the expenditures of average workingmen's families, which are very enlightening.

The preliminary report of retail distribution in Detroit shows total sales of \$882,086,767 for the eight conventional groups set up by the Census Bureau, including the "All other stores" group. To obtain a per capita expenditure for each group I have used the population figure for the Detroit shopping area, 1,889,000, given in "Population and its Distribution," by J. Walter Thompson Company. To

"Ford" Automobile Factory Workingmen's Families' Expenditures (1929)

Food	\$556.00	or 32.3%	of all costs
Housing	389.00	" 22.6%	" " "
Clothing	211.00	" 12.2%	" " "
Fuel and light	103.00	" 6.0%	" " "
Furniture and house furnishings.....	89.00	" 5.2%	" " "
Sickness expenses	65.00	" 3.8%	" " "
Life insurance	59.00	" 3.4%	" " "
Street car and bus fares.....	37.00	" 2.2%	" " "
Cleaning supplies	17.00	" 1.0%	" " "
Barber-beauty shops	12.00	" 1.7%	" " "
School expenses	6.00	" 0.4%	" " "
Miscellaneous expenses	176.00	" 10.2%	" " "

Total\$1,719.83 (average expenses per family in 1929.)

use the population figure for Detroit would be to give too much weight to per capita expenditures, as the entire shopping population of the city proper and surrounding territory are responsible for sales which are credited in the census of distribution to Detroit alone.

The summary for the various commodity groups is as follows:

	Total Expenditure	Per Capita Expenditure
Food group	\$194,579,000	\$103
General merchandise group	158,810,000	84
Automotive group	154,956,000	81
Apparel group ..	95,422,000	50
Lumber and building group	61,145,000	32
Restaurants and eating places...	53,722,000	28
Furniture and household group	40,403,000	21
All other stores.	123,049,000	65
	\$882,086,000	\$464

The second column, of course, is the average expenditure by every man, woman and child in the Detroit shopping area for these various groups of commodities. Turning to the survey made by the Bureau of Labor Statistics, we find some difficulty in making comparisons because the classifications of expenditures are different from

those used by the Census Bureau. (See accompanying table.)

It is remarkable that although our per capita expenditure for all commodity groups (the total of the last column in the first tabulation) is \$464, and the total expenditure for the individual member of the workingman's family is \$382, there is a close correspondence on some items. For example, our retail census figure shows that the per capita expenditure for the apparel group was \$50, the amount obtained by applying the labor percentage of 12.2 per cent (expenditure for clothing) to the labor family expenditure of \$382 per person gives us \$46.

An even closer correspondence is discovered between the census per capita expenditure of \$21 for "Furniture and household" and \$19.86 per capita expenditure in the labor study, obtained by applying the percentage of 5.2 to the \$382 per capita total expenditure.

If we add the percentages established in the Labor Bureau's survey for food, clothing, furniture and house furnishings, cleaning supplies and miscellaneous, we get 60.9 per cent

(Continued on page 292)

* Mr. Wilson refers to the study made last year and presented as Section I of the Markets and Media Reference Number, issued September 27, 1930, entitled "Sales Management Measure of Buying Power." This year the same study, brought up-to-date in figures and embodying the 1930 census returns, was published as a supplement to the regular magazine with the title "Survey of Spending Power," under date of October 31, 1931.



PhotoReflex Studio

Carl Byoir, publisher of the Havana Post and the Havana Evening Telegram

WASHINGTON, D. C., November 16-17-18.—The men who attended the meeting of the Association of National Advertisers, held in Washington the first half of this week, whether members or guests, certainly heard a number of things which provide valuable food for thought and action.

At the open meeting of the first day, Dr. Virgil Jordan, economist of the McGraw-Hill Publishing Company, Inc., began the session with a discussion of the present economic situation. His chief prognostications, premised on the data he reviewed, were these: The next Congress is likely to prove the most inflationary Congress since the period of the war. Commodity prices for some time are likely to be subject to rapid changes up and down, but apparently the bottom of the price trend in commodities has been reached. The volume of business transacted within the borders of the United States alone is sufficiently great to make us in a commercial sense largely independent of foreign business as a governing factor in our prosperity. Most of the basic factors indicate that we are nearing or have actually reached the bottom of the general depression and that the upward swing is at hand or not far distant. Wages will move up with fair rapidity as soon as the volume of business activity increases. Wage reductions as a whole have not equaled the decreased cost in retail prices. The return to more prosperous conditions will not be national on the simultaneous basis, but will be local and spotted, gradually working into a national picture.

Advertisers Declare War on Business Depression; Approve Byoir Project

E. St. Elmo Lewis, founder and first president of the ANA, followed with a talk entitled "What Progress in Advertising Since 1921." It was a most pungent address in spots, stressing some of the errors and weaknesses of advertising rather than exclusively extolling its progress. The chief point made by Mr. Lewis was that advertising has grown out of the era of art for art's sake, literature for words' sake and typography for type's sake, into a full realization of its responsibility to sell merchandise. The fact that modern advertising is largely premised on scientific research with respect to products, markets and sales appeal, Mr. Lewis believes, not only constitutes its greatest record of progress, but also its greatest assurance of a successful and ever greater future in American and world commerce.

Carl Byoir, publisher of the Havana Post and Havana Evening Telegram, and wartime associate chairman of the Government Committee on Public Information, then delivered what was probably the most outstanding contribution of thought made at the meeting. His talk, entitled "Accelerating the Return to Prosperity," dealt with a recently conceived plan (already endorsed by the ANA, bankers, economists and business men) to change the public state of mind from one of pessimism and ignorance to one of understanding, courage and action, thereby increasing employment and stimulating profitable business. It is a plan full of practicability and deserving of whole-hearted cooperation on the part of the business men of the country. He said, in part:

"The weakness of our situation today lies directly in the fact that we seem to think that we can get people to do what they ought to do simply by telling them that it ought to be done. During the war we did not raise our army simply by publishing the fact that a law had been passed and that there was a legal obligation to register. We did not sell twenty-one billion dollars' worth of Liberty bonds simply by telling the people of this country that the government needed money. We did not get the American people

to decrease their consumption of essential foods in order that we might feed the Allies simply by telling them that it had to be done. All of these things and a hundred others equally important were achieved by organized and persistent effort.

"One indisputable economic truth stands out above all this fog and confusion. The United States of America is still the richest country in the world. We have the greatest per capita wealth of any country in the world, and money in savings banks has reached an unprecedented peak. Why then do we seem to be poor? Because we are afraid. The man who has a job is afraid to spend his wages because he fears that he may be the next to join the great army of unemployed. The merchant is afraid to order goods because he is afraid that he may not be able to meet his obligations. The banker is afraid to lend money to merchants and manufacturers because he is afraid that the fear of his depositors may cause them to come and ask for their money.

"We are blaming this depression upon everybody and everything but ourselves as individuals. Let's start this job at home—in the American home. It's still sound. Talk to the ordinary man in the street and he will tell you, 'If Washington doesn't do something soon it will be too late.' If you ask him why he doesn't do something he'll reply, 'What can I do?'

"There are millions of such men waiting for someone to tell them what they can do as individuals to end this depression. The men in the street are merely waiting for leadership, for marching orders, for a great mobilization which can and must be brought about by a concentrated effort by us, by the advertising and publishing forces of the nation.

"The plan contemplates organization along the same lines as in the war emergency. There will be a general chairman who will be assisted by the chairmen of the respective divisions. This gives you organization in every major channel for carrying a message to all of the people of America.

"There would not need to be any

selection of these chairmen. You accept the present leaderships set up by these groups themselves. Let us take, for example, the Division of Advertising: The chairman of this division would be Mr. Gilbert T. Hodges, president of the Advertising Federation of America. The chairman of the National Advertisers section would be Lee H. Bristol, president of the Association of National Advertisers. The other section chairmen will be representatives of the advertising departments of the newspapers, of the Periodical Publishers Association, of the Financial Advertisers Association, of the League of Advertising Women, of the Six Point League, the Agricultural Publishers Association, of the Associated Business Papers, of the Outdoor Advertising Association, and all other national organizations dealing with advertising. The local committees will include the president of the local advertising club, newspaper publishers, radio station managers, presidents of local Rotary, Kiwanis and Lions clubs, and leading bankers, industrialists and retailers.

"Immediately upon the organization of this group, a request would be sent out to all daily newspapers in the United States asking their cooperation to the extent of using a four-inch double column box at top of page 1 every day for the probable six months' duration of the campaign so that messages of the central headquarters can be delivered on the front page of every newspaper every day to secure organized public buying. Plans would be worked out with the radio chains to carry talks on the various drives simultaneously, either or both through the use of their own sustaining programs or by time allotted to the organization from advertisers' programs. "A call would be sent out for the 75,000 four-minute men who served during the war so that inspirational messages could be delivered every week in every motion picture theatre in every town and village in the United States.

"Feature and picture services could furnish their newspaper clients with special features, graphically illustrating the enormous wealth of the country and other features calculated to re-inspire confidence to start public buying. "The motion picture reel editors would handle such mass activities as they would consider news.

"With this basic organization completed, the whole campaign would be based upon the idea that no committee, no one group or no organization can solve the present economic situation, but that every business man, every employer and employee in the

country must become an active member of the association.

"The organizers of this plan believe that there will be a tremendous response to all of these efforts once the people of the United States are convinced that everyone is cooperating. If there is any doubt in your mind as to whether people will do the things asked of them, just ask yourself the following questions:

"Would you on a given date buy a suit of clothes if you knew that on the same date five million other people would do the same thing and that it would result in the employment of over 100,000 men in the cloth and clothing trades alone?

"Would you, no matter what the present state of your business, on a given date volunteer to employ one man if you knew that by so doing you could secure the employment of three million men now out of work?

"The answer is, of course, you would, and the further answer is that there are several million people just like you in the United States."

The first part of the Monday afternoon session, presided over by Stuart Peabody, vice-president of the Association and of the Borden Company, dwelt with great emphasis on reductions in rates by magazines and newspapers. Lee H. Bristol, vice-president of the Bristol-Myers Company and president of the ANA, discussed this subject from the advertiser's point of view, and Thomas L. L. Ryan, president of Pedlar & Ryan, Inc., discussed it from the advertising agent's.

Both speakers made it entirely clear that most advertisers expect rate reductions in magazines, newspapers, etc., which are in keeping with price reductions in the commodity and virtually all industrial fields.

Neither speaker in any way sought to criticize or usurp the publishers' prerogative to exercise individual judgments as to the wisest policy to pursue. On the other hand, both dwelt at length on the bigger advertising job which must be done with fewer dollars when gross sales and the unit price of the products advertised are so greatly reduced. By implication, and to some extent by example, both of the speakers intimated that much advertising is being bought today not on the basis of arbitrary demands by the buyers of space, but on the basis of selecting those media which seem to offer the greatest value as measured in terms of the dollar.

Both men made it entirely clear that they do not believe the rate question is one which should involve friction between publishers and advertisers or agents, but rather a situation in which

both should cooperate to find the most practical solutions based upon the premise that advertisers are dependent in large measure for their success upon the publishers, and that publishers, for their success, are dependent in large measure upon advertisers. Both stressed the importance of eliminating forced circulation obtained from relatively unproductive readers at excessively high cost.

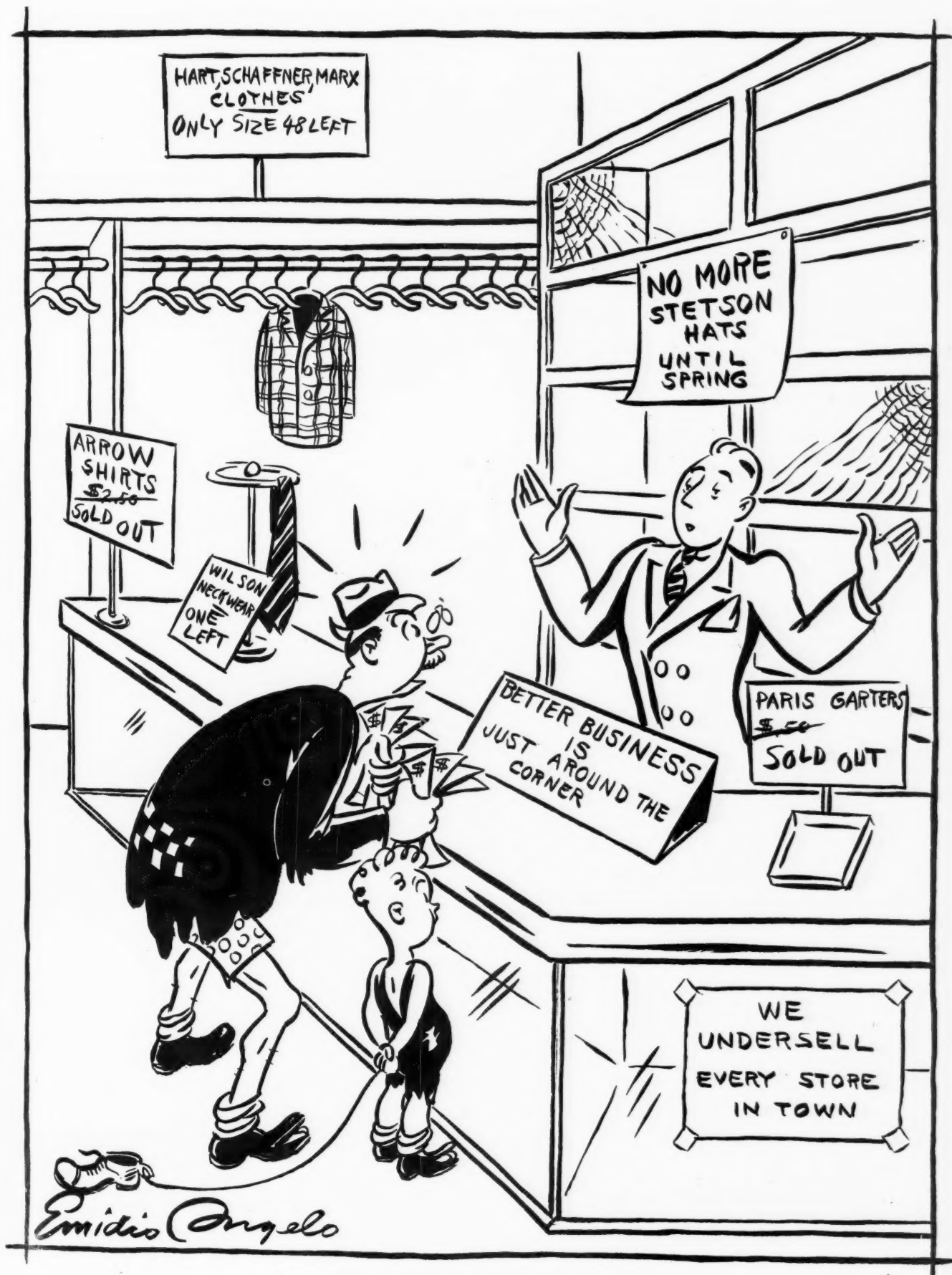
The day's speaking program closed with a talk by Stewart D. Cowan, president of Cowan & Dengler. He spoke on "Concrete Results from Testing Advertising" and illustrated his talk with many charts, quotations and specific data.

Tuesday's session was closed to the press in the morning. At the general session Daniel P. Woolley, vice-president in charge of advertising of the Standard Brands, Inc., talked on "How to Get Advertising Ideas Across to Your Salesmen," and R. D. Keim, general sales manager of E. R. Squibb & Sons, took as his subject "Introducing a New Product in These Times."

At the luncheon meeting Paul B. West, manager of advertising and sales promotion division of National Carbon Company, Inc., talked on "What the National Advertiser Must Do to Correct Circulation Evils."

During the afternoon group meetings were held devoted to such subjects as industrial, export, direct mail, dealer problems, food, drugs and radio.

At the Wednesday morning session, also a closed meeting, Billy B. Van, president of the Pine Tree Products Company, Inc., talked on "Building a Business by Taking One Territory at a Time." Charles L. Low, president of Charles L. Low, Inc., talked on "The Proper Sense of Proportion in the Use of Advertising," and Frederick E. Murphy, publisher of the Minneapolis *Tribune*, took as his subject "What Agricultural Prosperity Means to the National Advertiser." Lee H. Bristol was re-elected president of the organization. Vice-presidents re-elected are Stuart Peabody, of the Borden Company; W. A. Grove, of the Edison General Electric Appliance Company, Inc., and P. J. Kelly, of the B. F. Goodrich Rubber Company. Bernard Lichtenberg, of Alexander Hamilton Institute, was made chairman of the executive committee. Directors chosen are Bennett Chapple, American Rolling Mills Company, Middletown, Ohio; Paul B. West, National Carbon Company, New York; William B. Griffin, William Rogers Manufacturing Company, Meriden, Conn., and W. L. Schaeffer, National Tubing Company, Pittsburgh.



¶ If the stock reduction craze goes much further.

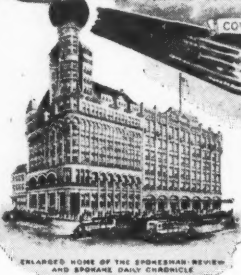


SPOKESMAN-REVIEW.

Uncle Sam Confirms =

**THIS NEWSPAPER MARKS SU
ACCORDING TO H 30**

GENERAL SURVEY —BY—
REVIEW-CHRONICLE NATIONAL ADVERTISING BUREAU
THE SPOKESMAN-REVIEW — Spokane Daily Chronicle
MORNING - SUNDAY - TWICE-A-WEEK EVENING - WEEKLY
COVER SPOKANE AND SPOKANE COUNTRY LIKE THE SUNSHINE.



**DOMINANT
FARM MAGAZINES**
THE WASHINGTON FARMER
THE OREGON FARMER
THE IDAHO FARMER

HEART OF PACIFIC NORTHWEST
"The American Wonderland"

SPOKANE, WASHINGTON

GENERAL SURVEY

RADIO AND RADIO ACCESSORIES

SPOKANE AND THE SPOKANE COUNTRY MARKET
(Field Pictured Above)

563,438 Consumers - 522 Cities and Towns
Per Capita Buying Power 35% Above The Nation's Average

RADIO SETS - 52,201

REVIEW-CHRONICLE GENERAL ADVERTISING BUREAU
Spokane, Washington

AUTHORITIES

Sources of Information

- | | |
|--|--|
| 26 Retail Radio Dealers-Spokane | 1922-1925-1927-1928 REVIEW-CHRONICLE Radio Surveys |
| 96 Retail Radio Dealers-located in 80 cities and towns of the Spokane Country Market | K.H.Q. (local broadcasting station survey) |
| 1500 (approximately 7% of total) of Spokane Residential Telephone Subscribers | Daniel Starch-Revised Study of Radio Broadcasting made for the National Broadcasting Co. (1929 Survey) |
| McGraw-Hill Radio Survey for 1929 | Farm Survey - By Pacific Northwest Farm Trio |
| H. K. McCann Co. Booklet-"What About Radio?" | |
| 102,247 Prosperous Urban Families | |
| 95,000 Circulation | |
| 86% Unduplicated | |
| 31 Pages | |

U.S.
1930 CENSUS
RADIOS IN HOMES
SPOKANE COUNTRY
**53,381
SETS**

-N-B-Above Survey Completed August 1930
Census Figures Not Released Until Several Months Later

98% OF ALL NATIONAL ADVERTISERS
Choose the Spokesman

But Speaking of Surveys

BASIN PASSES TESTS OF U. S. SURVEYS

Japanese SURVEY AS 97⁷⁹/₁₀₀% CORRECT

1930 CENSUS OF RADIO



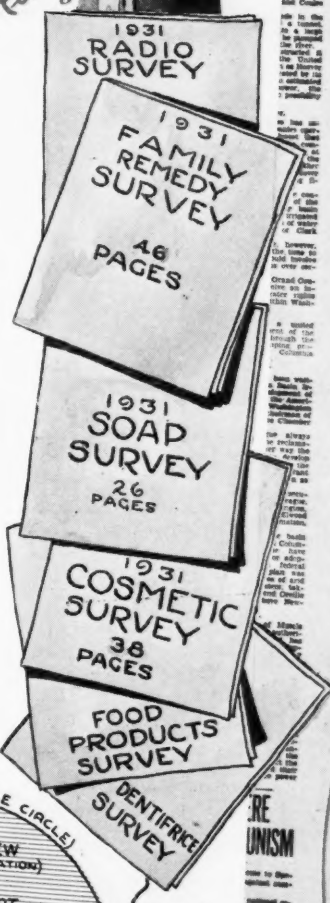
Other Surveys Now Ready

ONCE again, and in no uncertain terms, the reliability of the REVIEW-CHRONICLE market surveys as sales guides for the Spokane Country has been proved. Uncle Sam, through his actual count of radios in the homes, has placed his stamp of approval on our 5th Radio Survey.

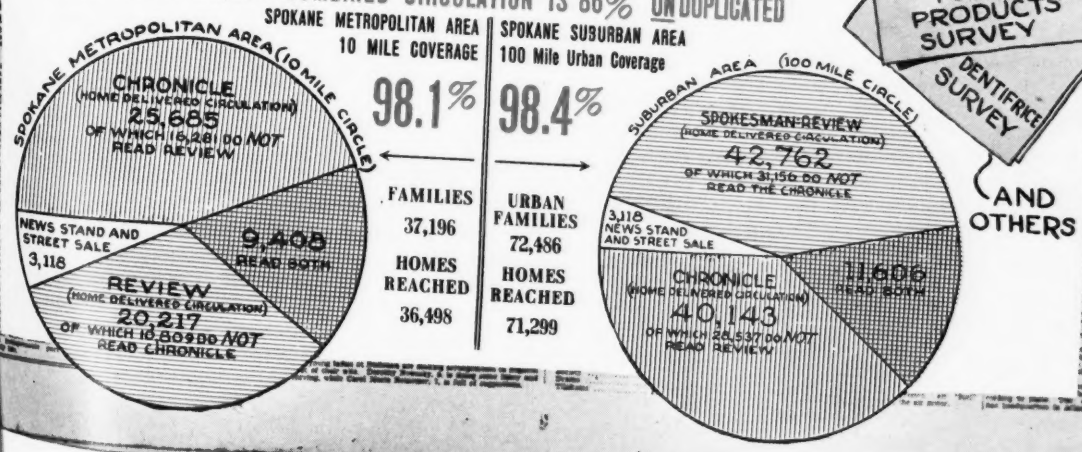
The REVIEW-CHRONICLE'S 1930 Radio Survey showed that there were 52,201 radios in the homes of the Spokane Country. The U. S. Census figures, made available several months later, showed that there were 53,381 sets in the Spokane Country.

Now our 6th Radio Survey is almost ready, and tentative results show that the Spokane Country yet needs over 10,000 additional sets to bring it up to the average for such sections as New England, Eastern and Middle Western States. Send for your copy of the latest Radio Survey.

Other 1931 REVIEW-CHRONICLE surveys now available: Soap (26 pages); Family Remedies (46 pages); Cosmetics (38 pages); Dentifrices (17 pages); Electrical Appliances (50 pages); Life Insurance (9 pages); and surveys on various food products and automotive lines.



—ANOTHER EXHAUSTIVE SURVEY SHOWS THE SPOKESMAN-REVIEW AND SPOKANE CHRONICLE'S 95,000 COMBINED CIRCULATION IS 86% UNDUPLICATED



used Upful Analysis
NATI ADVERTISERS
whose Copy is tioned on News or Editorial Support
Spokane Chronicle

(The SPOKESMAN-REVIEW and SPOKANE CHRONICLE each rejected OVER 50,000 lines the first six months of 1931.)

Hotels' Refusal to Reduce Rates Hurts Their Business, and Others

BY LAWRENCE M. HUGHES

SALES executives believe almost unanimously that general rate reductions by hotels at this time—even at the risk of temporary loss to the hotels—would be an important factor in stimulating business recovery by enabling companies to put more men on the road. As other businesses improved, they argue, the hotels would profit by it.

These executives are inclined to favor hotels who make reductions now, and these hotels, undoubtedly, would remain in their favor after rates generally have been stabilized at lower levels.

In spite of the fact that their sales volume continues about 18 per cent below 1930 levels, the majority of hotels, however, with the backing of the American Hotel Association, still refuse to reduce rates.

Thomas D. Green of New York, president and executive director of the association, gives a lot of reasons for it—among them:

That the rates in 1929, at the height of prosperity, were substantially unchanged from those which ruled in the 1921 depression;

That hotel operating costs have not declined materially ("even in food there have been little or no reductions in the

de luxe grades of which hotels are the heaviest purchasers");

That fixed expenses—taxes, interest, obsolescence, deterioration—go right along on the same levels, in good time or bad;

That payrolls remain relatively constant, and that even a 10 per cent reduction in salaries would save only three cents of the guest's dollar;

That "past experience teaches that it is hard to readjust rates upward and that reductions made under pressure are difficult to recover."

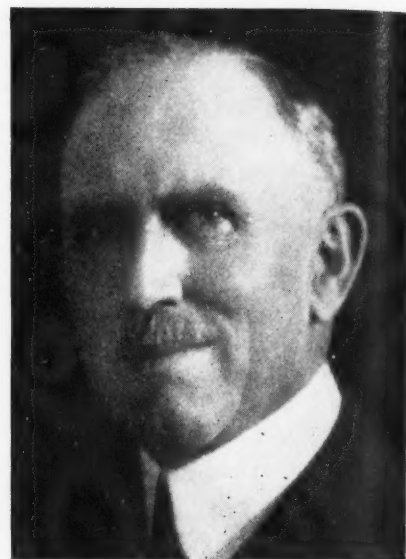
Without disputing the accuracy of Mr. Green's observations, the vice-president and sales manager of a New England manufacturing company has discovered, in a nation-wide survey of the situation, that an increasing number of hotels are finding it to their advantage to reduce rates—not only in the restaurants but for the sample and bedrooms as well. In fact, nearly two-fifths of all the hotels which replied to this executive's questionnaire have made substantial reductions in the last two years.

Notable in this list is the United Hotels Company of America, operating the Roosevelt, New York, the Benjamin Franklin, Philadelphia, the Olympic, Seattle, the President, Kansas City, and thirteen others throughout the country, whose rates have declined 20 per cent.

The La Salle, Chicago, has reduced all rooms to \$2.50 a day each, and the Jung, New Orleans, has established rates of \$2.50 for commercial travelers. The Shelton, New York, has lopped off fifty cents to \$1 a room; the Biltmore, Los Angeles, has made cuts of \$1 to \$2; the Sinton, Cincinnati, from fifty cents to \$2; the Ryan, St. Paul, and the Sir Walter, Raleigh, North Carolina, each \$1 to \$2; the Robert E. Lee, Winston-Salem, and the Plankinton, Milwaukee, each fifty cents, and the Winthrop, Tacoma, 10 per cent.

Among others which have made reductions of varying amounts—and in some cases twice or more since 1929—are:

The Dinkler Hotels Company, Atlanta.
The Emerson, Baltimore.
The Washington-Youree, Shreveport.
The Baker Hotels, operating the Baker, Dallas and eight other Texas units.
The New Washington, Seattle.
The Brown Palace, Denver.



Frank A. Dudley, former president of the American Hotel Association, now head of the United Hotels Company of America, operator of seventeen hotels whose rates have been lowered 20 per cent.

The Deming, Terre Haute.
The Hermitage, Nashville.
The Bond, Hartford.
The Roosevelt, New Orleans.
The Deschler-Wallick, Columbus.
The Sacramento, Sacramento.
The Raleigh, Washington, D. C.

At the head of the list of hotels which have refused to make reductions, the sales executive continued, in outlining his findings for SALES MANAGEMENT, is the Hotels Statler Company, operating the Pennsylvania, New York, and units in Boston, Buffalo (two), Cleveland, Detroit and St. Louis.

In an address a short time ago before the New York State Hotel Association, Frank A. McKowne, president of the Hotels Statler Company and of the Hotel Association of New York City, advised: "If in the immediate past you have had fair rates on your rooms, you should maintain them now. Generally speaking, the costs which determine rates have not been lowered, so you are not justified in offering reduced rates. If you cut your room rates your competitor undoubtedly will meet the cut."

And picking up where Mr. McKowne left off, Mr. Green added: "By the time competitive slashes hit

(Continued on page 292)



Thomas D. Green, now president and executive director of the American Hotel Association, backer of the hotels (greatly in the majority) which are refusing to reduce rates.

How a refrigerator manufacturer holds regular country-wide sales conferences BY TELEPHONE



THE Kelvinator Corporation is successfully cutting sales costs by maintaining personal contacts regularly with its sales representatives in all parts of the country . . . *by telephone*. Its profits in the last fiscal year increased 31 per cent.

The president says: "The increase in profits is the result of lower selling costs and increased economy. These factors of economy and efficiency are combined in your service and account for our liberal use of the telephone."

The telephone sales conferences are held Friday afternoons, each district manager calling in at a certain time. Telephones in the Detroit headquarters are so arranged that the chief sales executives are on the line at the same time. General discussions are thus held as easily as though all the men were face to face. Problems are considered from every angle. Decisions are given promptly. In minutes, the executives have a complete picture of how their entire organization is functioning.

The field representative may be thousands of miles away, but conferences with executives are held as readily as though he were in the home office.

Using Long Distance is an investment that pays big dividends in time saved and results achieved. Typical station-to-station day rates: Indianapolis to Louisville, 65c; New York to Cleveland, \$1.80; Portland, Ore. to San Francisco, \$3.45; Philadelphia to New Orleans, \$4.

The Bell System has developed a Telephone Plan of Market Coverage to help its customers increase their business and cut costs. An experienced telephone representative will gladly custom-fit its features to the specific needs of your company.

JUST CALL YOUR BELL



TELEPHONE BUSINESS OFFICE

"Supreme" U.S. Council Proposed by Harriman to Stabilize Business

NEW YORK—Establishment of a National Economic Council, functioning in an advisory rather than an executive capacity, supported by business but cooperating closely with the government, and chosen by fifty representatives of industry, labor, the professions and agriculture, was urged by Henry I. Harriman, of Boston—chairman of the Special Committee on Continuity of Business and Employment, of the United States Chamber of Commerce—in an address before the annual meeting of the Associated Grocery Manufacturers of America here November 19.

Mr. Harriman's address was based largely on the nation-wide investigations of the committee—although it embodied not the committee's but his personal conclusions.

Admitting that "business cycles are the unavoidable results of human nature," and that "depressions in moderation undoubtedly serve a useful purpose" in leading to "economy, to thrift and to the prevention of waste," Mr. Harriman believed that, "carried to the extreme, they become disasters of the first magnitude.

"Every effort should be made, therefore, to prevent the intensity of great depressions such as occurred in '73, '93 and in '29.

"Factors which will aid," Mr. Harriman said, "are the revision of our anti-trust laws, now obsolete and outworn, the creation of a National Economic Council, the balancing of production and consumption in agriculture, the correction of banking evils which have been shown to exist, the gradual shortening of the hours of labor with the advent of increased productive capacity, the betterment of international relations and the prevention of war.

"Having put business on a reasonably profitable basis, we must place upon business the responsibility for setting up reserves to tide over periods of unemployment and to assure men against economic want and suffering because of sickness, accident, or old age."

Mr. Harriman is chairman of the Board of Public Trustees, Boston Elevated Railway Company; president of the Boston Chamber of Commerce, and vice-chairman of the New England Power Association.

CHICAGO—Acme Card System Company has inaugurated a five-year guarantee on its equipment.



Oldest Grocery Store Sells Frosted Foods

BOSTON—The oldest grocery store in the United States has taken on one of the most modern developments in food merchandising.

In the 135-year-old building at 741 Center Street, Jamaica Plain, Boston, a Frosted foods display case has been installed by Bird's-eye Packing Company, affiliate of General Food Corporation.

DETROIT—Willis C. Brown, formerly vice-president in charge of sales of Warner Aircraft Corporation and more recently director of sales and service for Continental Aircraft Engine Company, here, has gone to Tulsa, Oklahoma, where he will organize a company to sell Continental industrial engines, and mechanical and electrical specialties for the oil fields.



Photo by Blank-Stoller, Inc.
Henry I. Harriman

Several years ago the claims of this store to being the oldest living retail grocery were affirmed by the United States Department of Commerce.

The store was started in 1796 by Ebenezer Seaver and remained in the Seaver family for 135 years. Lately it was acquired by J. V. Daly and John A. Craven from 84-year-old Fred Seaver, grandson of the founder. Many of the original bins still are in the store, which proudly proclaims its age in the sign above its door.

Marmon Appoints Rogers Sales Vice-President

INDIANAPOLIS—A. J. Rogers, formerly advertising manager, has been elected a director and appointed vice-president, in charge of sales of the Marmon Motor Company here.

"There are no other sales executive changes," Mr. Rogers told this magazine, "and the only sales policy addition is harder work."

Mr. Rogers succeeds George C. Tenney, resigned. Sam V. Harding continues as sales manager.

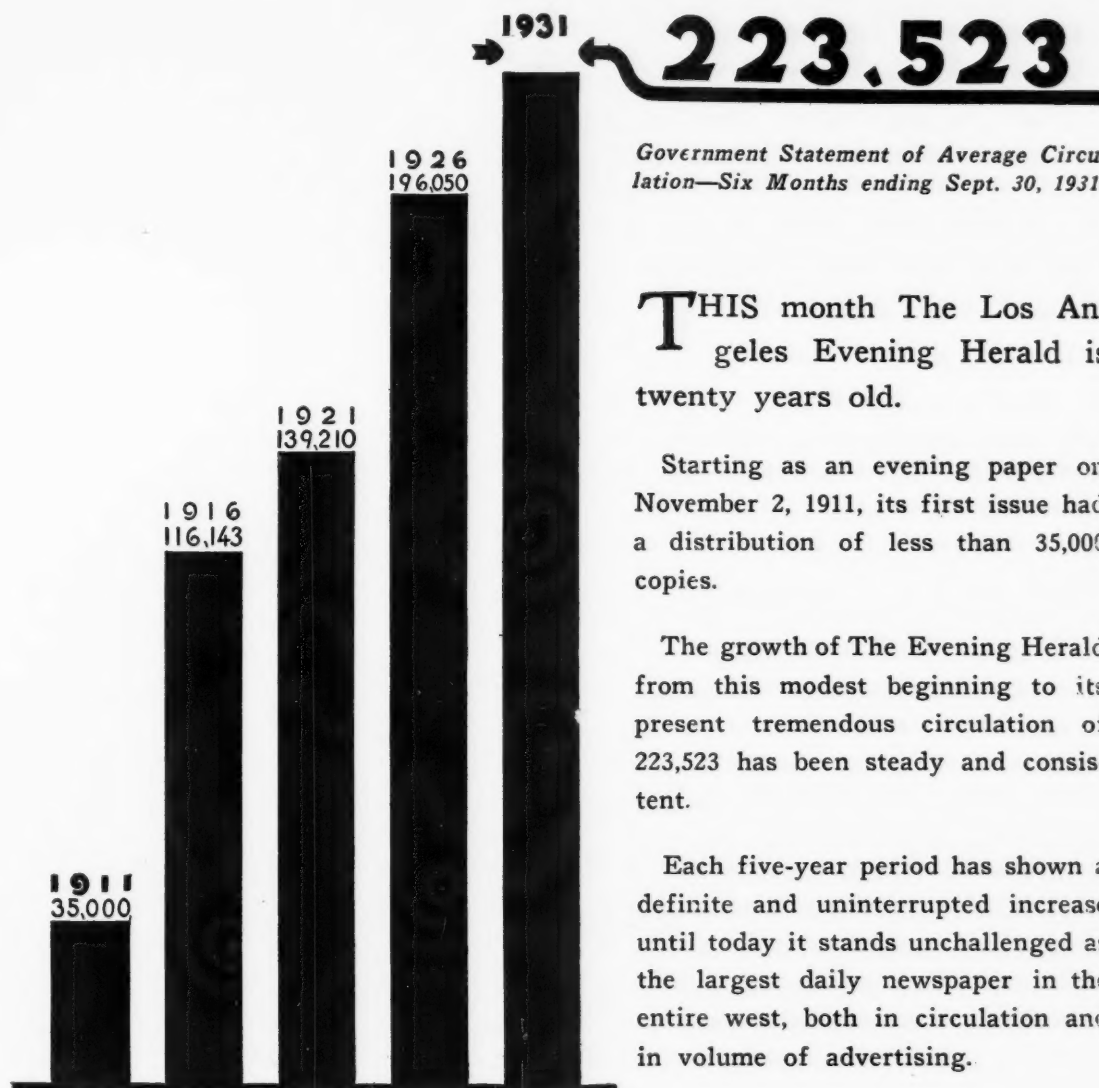
Marmon will celebrate next year its thirtieth anniversary in the automobile industry and the eighty-first year of its organization.

"Training Driver-Salesmen"

NEW YORK—The Policyholders' Service Bureau of the Metropolitan Life Insurance Company has just published the results of an investigation of a number of companies employing driver-salesmen—the food, ice, laundry, coal, beverage, meat, dairy and baking industries—under the title of "Training Driver-Salesmen."

MT. CLEMENS, MICH.—Anheuser-Busch, Inc., St. Louis, has placed an order for 4,000 units with Copeland Products, Inc., here, manufacturer of electric refrigeration equipment.

Twenty Years of Progress for The West's Largest Daily!



Government Statement of Average Circulation—Six Months ending Sept. 30, 1931.

THIS month The Los Angeles Evening Herald is twenty years old.

Starting as an evening paper on November 2, 1911, its first issue had a distribution of less than 35,000 copies.

The growth of The Evening Herald from this modest beginning to its present tremendous circulation of 223,523 has been steady and consistent.

Each five-year period has shown a definite and uninterrupted increase until today it stands unchallenged as the largest daily newspaper in the entire west, both in circulation and in volume of advertising.

Growth of The Los Angeles Evening Herald in 20 years.

Any Schedule Designed to Cover Los Angeles Should Begin With The

LOS ANGELES EVENING HERALD

National Representatives

New York:
HERBERT W. MOLONEY
342 Madison Ave.

Chicago
JOHN H. LEDERER
326 West Madison

Detroit
RAY MILLER
General Motors Bldg.

San Francisco
A. J. NORRIS HILL
Call Bldg

Radiotron, Cunningham Unify Sales Direction under G. C. Osborn

HARRISON, N. J.—RCA Radiotron Company, Inc., and E. T. Cunningham, Inc., radio tube affiliates of Radio Corporation of America, have unified their sales direction under George C. Osborn, vice-president in charge of sales of Radiotron Company, who will hold this position with both divisions. The products, competitive in price, will continue to be sold under their own names through their present distributor and dealer organizations and advertised in separate campaigns, but the sales forces will be united.

"Our experience with test sales activities has indicated that the radio tube business of the country could be doubled by the proper application of proved sales methods," G. K. Throckmorton, president of the Cunningham company, explained. "The result of these studies was the recommendation by the sales executives of both companies that certain sales activities should be unified so that our combined forces shall be working for the accomplishment of a common objective."

Under the new plan Meade Brunet becomes eastern sales manager for both companies at New York City; M. F. Burns, central sales manager at Chicago, and F. H. Larrabee, western, at Kansas City.



George C. Osborn

More Government Aid to American Concerns Distributing Abroad

WASHINGTON—In the face of a general decline in world trade, a new high record in foreign-trade promotion was established in the last fiscal year by the Bureau of Foreign and Domestic Commerce, Frederick M. Feiker, director, reported this week in an interesting resume of the year's work. Various American exporters have reported additional business amounting to \$58,000,000, an increase of 13 per cent over the corresponding figure for 1930, largely as a result of the Bureau's aid, Mr. Feiker added.

Among specific services rendered by the Bureau, he cited, were the aiding of sales of Alabama lumber in Brazil; of California dried fruits in China; Connecticut hardware in Chile; Minnesota stoves in Czechoslovakia; Ohio stump-pullers in Rumania; Pennsylvania oils in Spain; Illinois radios in Egypt; Massachusetts shoes in Turkey, and New York wallboard in Australia.

In the current fiscal year more than 17,000 reports on foreign markets—an increase of 1,000 over 1930—were prepared, and the Bureau sent out 47,000 information letters to American concerns, as compared with 40,000 in 1930.

Domestic branch offices were opened in the current year at Charleston, South Carolina; El Paso and Salt Lake City, making a total of thirty-four now in this country.

Dartnell Moves N. Y. Office

NEW YORK—Dartnell Corporation, Chicago, has moved its New York office to 400 Madison Avenue.

First National Stores Invade New York; May Get Bohack

NEW YORK—The H. C. Bohack Company, operating some 700 grocery stores on Long Island, and the only one among the larger grocery chains in the United States to report an increase in dollar sales volume this year, will be acquired soon either by First National Stores, Inc., Boston, or the American Stores Company, Philadelphia, SALES MANAGEMENT learned this week.

Either merger may be a step toward the establishment of a new "super-chain" (SM August 1, 1931) which is being discussed by financial interests, to rival the Great Atlantic & Pacific Tea Company, in scope and volume.

With the death in September of H. C. Bohack, founder and president of the Bohack company, and the resignation last summer of Frank L. Parsloe, controller and for several years managing head of the chain, the operation has been in charge of a committee of executives and of Mr. Bohack's heirs. It is believed that the heirs desire to sell the property.

Although the dollar sales of the company in the first ten months of the year were 10.2 per cent higher than for the corresponding period of 1930, they increased only 0.9 per cent in October.

First National and American are among the strongest of the regional grocery chains—the former having about 2,700 units, chiefly in Massachusetts, and the latter a similar number, in Pennsylvania, New Jersey, New York, Delaware, Maryland and the District of Columbia. First National's annual volume is now about \$105,000,000, as compared with \$140,000,000 for American. Bohack's volume is about \$35,000,000.

First National has just made its debut in the New York metropolitan area, with the establishment of units in New Rochelle and White Plains, in Westchester County. Because of "banker influence" an alliance between First National and Bohack is thought more probable than one between American and Bohack.

Maytag Expands in West

PORTLAND, ORE.—Seventy-five new sales outlets for Maytag washing machines are to be opened in the Coast area as a result of the consolidation of the Maytag Inter-mountain Company with the Maytag Pacific Company, which will have northwestern headquarters here. With seventy-five units already in operation, this will make a total of 150 stores in the west.

Brooks Brothers Take Stand Against "Price Regardless of Value"

PHILADELPHIA—"With all due consideration to the generally lower prices of today in practically all commodities, there is an irreducible limit beyond which nothing of worth can be produced," the Brooks Brothers Company here, maker of upholstery fabrics and hangings, told its trade in a letter this week.

"This hysterical epidemic of 'price regardless of value' has not only engulfed the furniture manufacturers, but is destroying the very heart of upholstery manufacturing," the letter continued.

"It is our intention, for your protection as well as ours, to stand pat on quality, rather than revert our creative business of producing fine fabrics to a 'churning' process in order to peddle the poorest quality we can make to meet the prices demanded for the poorest kind of furniture the industry has ever produced."

The MAGAZINE

that gets Results

IT is the principal function of advertising to sell merchandise at a profit.

Failure to do this, *especially in times like these*, means the difference between red ink and black for the manufacturer.

A matchless reputation for getting results has made 1931 the fifth consecutive banner year for The American Weekly.

Contrary to the record of most publications, this mighty magazine has chalked up substantial lineage gains month after month throughout this so-called depression.

This unique performance is due to the fact that astute advertisers, who insist that their advertising dollars *get results* in lean times as well as fat, have invested substantially in the advertising pages of The American Weekly.

They have favored this magazine because careful investigation has convinced them that *it offers advantages no other publication can duplicate*.

Here are some of these outstanding advantages:

Through The American Weekly, the advertiser enters 5,500,000 homes located in the most prosperous buying areas of the nation—double the number that can be reached through any other one publication.

To this vast market he can display and sell his wares on a giant color-page more than twice as large as any other magazine page, *all at a cost of less than 1/3 cent per family*.

So varied is the editorial appeal of The American Weekly that it interests every member of the family—man, woman and child.

That means the advertising is seen by more than a single individual in every home.

A survey of its circulation shows that it covers the wealth of America like a blanket.

The American Weekly dominates the urban markets by concentrating 70% of its total circulation in 578 of America's 997 towns and cities of 10,000 population and over. (1930 U. S. census figures.)

In each of 152 cities, it reaches one out of every two families

In 108 more cities, 40 to 50% of the families

In an additional 146 cities, 30 to 40%

In another 172 cities, 20 to 30%

... and, in addition, more than 1,700,000 families in thousands of other communities, large and small, regularly buy The American Weekly.

Where can you spend your advertising dollar more effectively?



Cock-A-Doodle-Do

November, 1931, establishes a record in volume of advertising lineage and revenue for any November in the history of The American Weekly and adds to the record advertising volume already established for the year 1931.

THE AMERICAN Greatest Circulation in the World A WEEKLY

Main Office: 959 Eighth Avenue, New York City

Branch Offices: PALMOLIVE BLDG., CHICAGO . . . 5 WINTHROP SQUARE, BOSTON . . . 753 BONNIE BRAE, LOS ANGELES . . . 222 MONADNOCK BLDG., SAN FRANCISCO
11-250 GENERAL MOTORS BLDG., DETROIT . . . 1138 HANNA BLDG., CLEVELAND . . . 101 MARIETTA ST., ATLANTA . . . INTERNATIONAL BLDG., ST. LOUIS

5 National Advertisers Urge Newspapers Make Quantity Discounts

NEW YORK—A suggestion that publishers offer national advertisers substantial reductions or cash discounts for contracts of 10,000 lines or more, and an intimation that "150,000-line schedules for 1932 might be placed with publishers who offer outstanding values by quoting rates on a fair, sound principle," were made this week in a letter from Arthur Kudner, New York, president of Erwin, Wasey & Company, advertising agency, to the 1,800 daily newspapers of the country.

The letter carried the endorsement of presidents of several clients of Erwin, Wasey: Colby M. Chester, Jr., of General Foods Corporation; P. W. Litchfield, Goodyear Tire & Rubber Company, Inc.; W. J. McAneeny, Hudson Motor Car Company; R. R. Deupree, Proctor & Gamble Company, and S. Clay Williams, R. J. Reynolds Tobacco Company.

"The publishers of about 200 American daily newspapers have wholeheartedly adopted the sliding scale principle of pricing," Mr. Kudner explained. "But while the prices to local advertisers are progressively reduced, up to 50,000, 100,000, 500,000, or even 1,000,000 lines, the best price offered to national advertisers stops at 5,000 or 10,000 lines!

"And all the other 1,600 publishers offer similar sliding scale rates to local advertisers, but quote all national advertisers only a single flat price!

"Is this fair play?

"Is it good business?

"On what principle can discrimination be justified?

"What would you think if paper manufacturers offered newsprint to catalog printers, for example, at sliding scale rates running down to half an inflexible flat rate fixed for newspaper publishers?

"The soundest principle we can suggest," Mr. Kudner concluded, "is that publishers quote exactly 5 per cent less than the base national rate for any sized contract quoted to local advertisers at 5 per cent less than the base local rate; and 10 per cent, 15 per cent or 'x' per cent less than the base national rate for each and every sized contract quoted to local advertisers at 10 per cent, 15 per cent or 'x' per cent less than the base local rate.

"National advertisers will welcome quantity contracts offered on this basis, or cash discounts offered on the same basis."

Petro-Nokol Launches Easy Payment Plan

STAMFORD—Petroleum Heat & Power Company, manufacturer of Petro and Nokol oil burners, has inaugurated an instalment plan whereby buyers may pay as little as \$9.65 a month for periods as long as five years.

The company takes care of all service, repairs, new parts and labor during the payment period.

In connection with the introduction of the new plan, the company is advertising for "sales experts" to assist householders who seek information about the new plan. Men who have had experience in selling oil heating are requested to reply direct to the dealers listed in consumer advertisements.

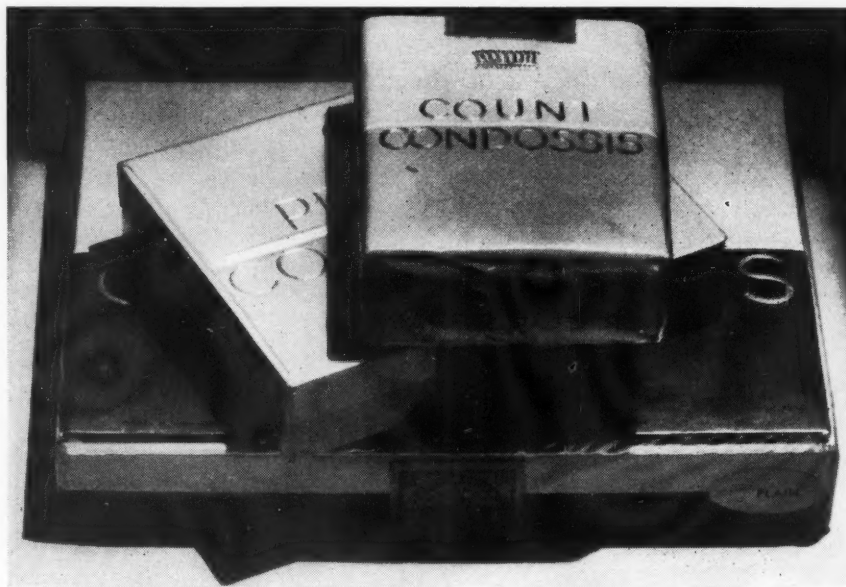
Promote Disston Sales Head

PHILADELPHIA—S. Horace Disston, formerly vice-president in charge of sales, has been appointed second vice-president and assistant general manager of Henry Disston & Sons, Inc., saws and other tools, here. Harry K. Rutherford is now sales manager of the industrial division—the mill division continuing under David W. Jenkins and the hardware trade activities under George M. Eckhardt.

California Chain Store Is Fined for Limiting Quantity of Specials

SANTA ANA, CALIF.—For refusing to sell more than a limited quantity of Hills Bros. coffee which he had advertised at thirty-five cents a pound, M. I. Tuttle, manager of a Piggly Wiggly store here, was fined \$25 recently. Mr. Tuttle was charged with violation of the California pure advertising law. Safeway Stores, Inc., Oakland, operated the Piggly Wiggly units in this locality.

The advertisement carried by the Piggly Wiggly unit in the local newspaper mentioned that only a limited quantity of the coffee would be sold at this price, but a store banner calling attention to the bargain made no mention of quantity. Safeway Stores has announced its intention to appeal the decision. If sustained, the decision is expected to have an important bearing on the policy of grocery chains in this state in using well-known products as "leaders"—selling a limited amount of these products at cost or less than cost in order to attract customers.



Cigarette "Royal Family" Presented by Condossis

NEW YORK—King, Prince and Count Condossis—a royal family of cigarettes—have just been presented to the American public by the Condossis Tobacco Corporation, here. A. D. Condossis, president and supervising sales director of the corporation, long has been making private brands for clubs, hotels and individuals.

The products, tested in Boston, are now making their debut in New York. Advertising in class magazines will start in December. Merchandising

and advertising are in charge of Mark O'Dea & Company, New York.

King Condossis, retailing at two and one-half cents a cigarette, is packed 10, 20, 50 and 100 to the box; Prince, at one and one-half cents, 10, 20, 50 and 100, and Count, at one cent, 20 and 50.

Distinguished by separate color combinations, the basic design is maintained throughout the line. The cigarettes are intended to blend with modernistic living rooms.

What!

Reduce Costs?



Yes, reduce costs—quantity prices are down, production schedules have been cut, you have pared overhead to the limit, and yet cost of sales has gone up. Now the only way to get your cost of sales down is to increase your volume of sales.

Molloy Catalog Covers

Will help to increase the volume of sales and thereby reduce the cost of sales, because every cover is especially designed as a definite part of your merchandising program.

Molloy Covers convey an impression of quality. They attract the favorable attention of the prospect and inspire confidence in your merchandise or service which offers greater assistance to your salesmen and gives you a better chance of making sales.

They keep the books in service asking for orders longer, because they retain their fine appearance and offer greater protection to the pages.

They last longer, thereby reducing the cost of replacements.

Catalogs, sales manuals, service bulletins, price books, counter books, sample or swatch books; Molloy Covers are made only by The David J. Molloy Co. We cooperate with your printers or binders.

Full range of materials and prices to suit any sales problem or budget allowance.

Ask Molloy Artists to submit an idea and sample cover.

Semi-Flexible Covers
Stiff Board Covers
Loose-Leaf Covers
Artificial Leather
Flexible Mocolan

THE DAVID J. MOLLOY COMPANY

2869 North Western Avenue
CHICAGO, ILLINOIS



New York Address:
52 Vanderbilt Avenue

Government in Business

BY JAMES TRUE

Director, Washington Bureau

WASHINGTON, D. C., November 18.—Recent and frequently repeated rumors that the business men of the country are not using the census data are answered by Census Bureau chiefs to the effect that comparatively few final reports have been issued and that requests for the reports have come in so rapidly and in such large number that it has been impossible to count them.

Bureau officials also readily admit that delays in publication have contributed to the rumors by preventing wider use of available data. However, the delays are now being overcome and soon, it is hoped, business men will be supplied with enough published data to keep them busy for some time.

Wholesale Trade Bulletin, for California, the first of the state series on wholesale distribution, was published early this week. The introduction calls attention to the fact that the findings are of the first wholesale census ever undertaken and that the complete canvass covered every state, county and city in continental United States. The report of eighty-three pages throws invaluable light on all phases of the subject of wholesale distribution. Within a few weeks the second of the series, covering an eastern state, will be published, and the others will follow rapidly. Distribution of these reports is free, and requests for copies must be sent to the Bureau of the Census.

Everybody Interested in the Census should procure a copy of "Wholesale Distribution, Definitions and Classifications" to be published very soon by the Department of Commerce. It is a thirty-two-page pamphlet and many of the census figures cannot be read intelligently without the information it contains.

Retail Census Data by Counties for the entire country is in the hands of the printer and will soon be published. These data, invaluable to every national merchandiser, have been the cause of considerable controversy and publication has been unaccountably delayed. This bulletin does not give as great detail as will be shown in the final series of state reports; but it will give a marketing picture which the bureau hopes can be used for developing 1932 sales policies.

More Census Data on Construction will soon be available in the form of a state report, probably on Connecticut. The final Hotel Report for the entire country is also in the hands of the printer and should be published within the next four weeks.

The Chain Store Summary, which was released by the Census Bureau last week and which received a great deal of publicity, will be made more valuable by the report on grocery chains to be released by the Federal Trade Commission early in December. Congress will use both reports in framing and considering chain legislation.

Homes Receiving Electric Service in four states are covered by preliminary reports from the Electrical Equip-

ment Division of the Bureau of Foreign and Domestic Commerce. These are the first figures on the subject since 1926, and the first instance in which figures have been given separately for each city of over 2,500 population. The states covered are Indiana, Wisconsin, Kentucky and Utah, and data for the remaining states will be published shortly.

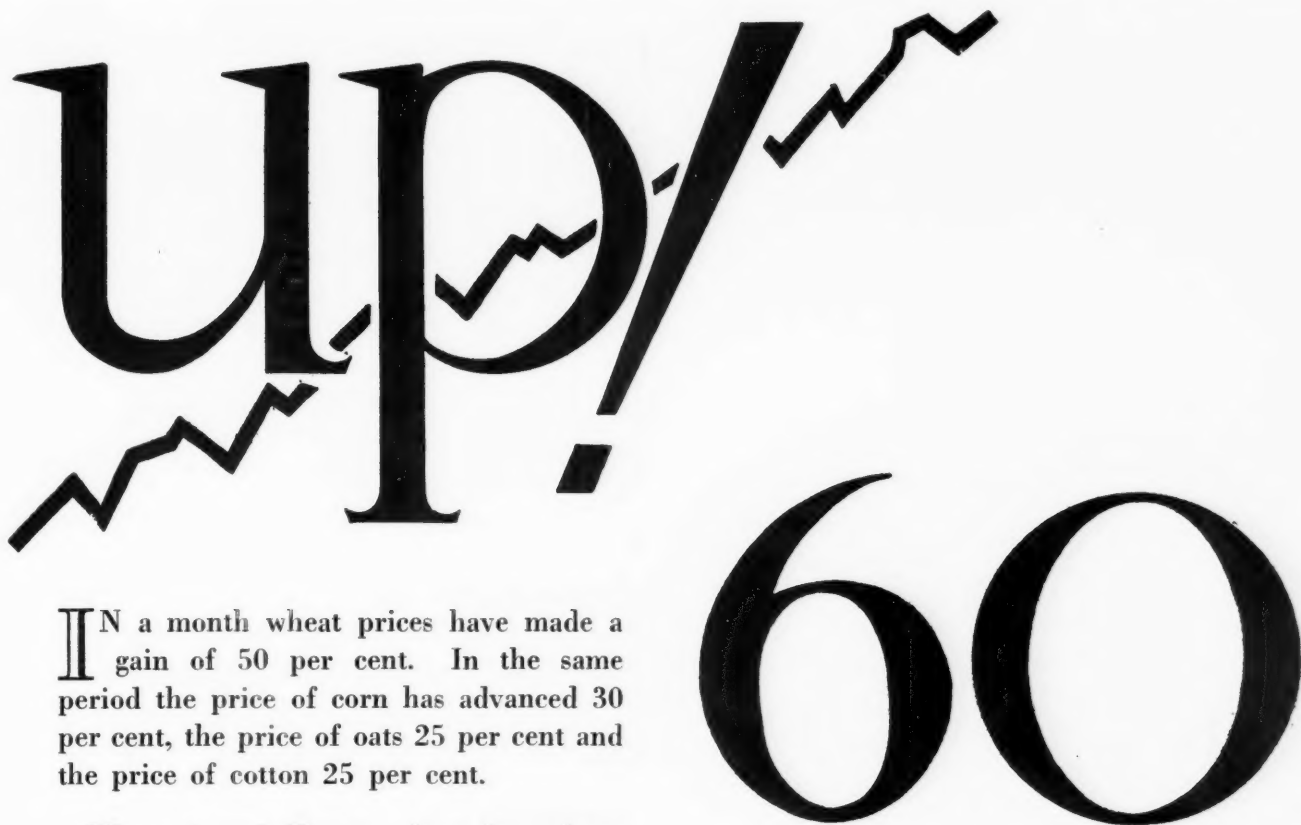
Fewer Patents and Trade-Marks were handled by the Patent Office this year than last, according to the Patent Commissioner's Annual Report just released. Fees for patents and from other sources totaled more than \$4,500,000 and established a new high record; but the office suffered a loss of nearly \$267,000 for the fiscal year of 1931. The Commissioner also reports an unemployment relief scheme, whereby priority is granted to patents which promise to result in more jobs at an early date; but he also states that this proposition "has not been in operation long enough for his office to obtain complete information on results."

Foreign Trade Records, recently reported for his organization by Frederick M. Feiker, Director of the Bureau of Foreign and Domestic Commerce, show that American exporters voluntarily reported dollars-and-cents results directly traceable to the Bureau's aid to the amount of \$58,000,000 in the fiscal year of 1931, an increase of 13 per cent over the previous year and the best record of the Bureau. Another new record was in the total number of specific services rendered, which was 3,965,000, an increase of ten per cent and nearly double the total for 1926.

The Popularity of Sales Taxes is probably getting its greatest boost, from a legislative viewpoint, by the excursion to Canada of a large number of Senators and Representatives, which has been promoted by the Hearst newspapers. The group is studying all phases of this form of taxation in the Dominion, where it is reported to have been exceptionally satisfactory, and the special study will undoubtedly have an appreciable effect on federal legislation. A boost of federal taxes in one form or another appears to be inevitable, and the prospect for sales taxes seems to increase every day, despite the growing organized resistance.

Aid for Home Owners will be realized through the President's plan to establish a system of home loan discount banks. Regardless of federal legislation, there is no doubt that the financing of homes of moderate cost will be simplified and stimulated.

The Bureau of Standards, one of the most active and valuable organizations of the Government, does not appear to get its share of publicity. The annual report of the bureau, released yesterday, shows that during the last fiscal year the bureau tested more than 1,000 railroad track scales and found ways to decrease the noise made by street cars. Besides many other scientific achievements, the bureau also discovered means of increasing the safety of airplanes, perfected a cotton cloth for parachutes, evolved a method to strengthen airship girders, improved radio aids to navigation, and carried on experiments of value to industry and the public in many other fields.



Up 60

IN a month wheat prices have made a gain of 50 per cent. In the same period the price of corn has advanced 30 per cent, the price of oats 25 per cent and the price of cotton 25 per cent.

Missouri and Kansas alone have been enriched more than 60 million dollars by these increases in the value of farm products. The seven states of which Kansas City is the agricultural capital—Missouri, Kansas, Arkansas, Oklahoma, Iowa, Nebraska and Colorado—have added 150 million dollars to their wealth as a result of improved prices in farm commodities.

National advertisers who are making Kansas City the pivotal point of their campaigns are simply harmonizing their sales effort with the rehabilitation of the nation's buying power. They are striking where they know their money will yield the quickest and best returns.

The sources of Kansas City's wealth are from the soil. They are vital and basic. They are the things that sustain human life and they are less subject to whim and caprice than are the products of the so-called industrial cities.

MILLION DOLLARS

Still another attraction of the Kansas City market is the thorough and economical circulation coverage of The Kansas City Star. The Star (daily) has more subscribers in Great Kansas City than there are families, and in combination with The Weekly Star (agricultural) reaches more than one out of every two families in all of Kansas and Missouri, excluding only the city of St. Louis.

The Kansas City Star's advertising rate per 1,000 copies is the lowest in America.

THE KANSAS CITY STAR

EVENING • 291,905 MORNING • 289,577 SUNDAY • 306,682 WEEKLY STAR • 491,489



Burk Art
PROCESSED

A crushed grain background in gray Moorish with embossing in gold—a typical Burk-Art Processed cover. Write for information on your own cover problem.

The Burkhardt Company
545 W. Larned St. Detroit, Mich.
Originators of Visual Selling Binders

THE DAILY HERALD

IS

**"ON
THE
SPOT"**

**BILOXI and GULFPORT
MISSISSIPPI**

(and, oh, what a spot!)

and you cannot
thoroughly cover
this spot except
in

**THE
BILOXI-GULFPORT
DAILY HERALD**

Plus Signs

+++ SIX THOUSAND WORKERS in Rochester factories engaged in the production of higher priced men's clothes, are being recalled to work because of increased demand. Factories turning out cheaper suits have been working at close to capacity for a year.

+++ STEEL MANUFACTURERS in Youngstown are working at the highest production level in two months.

+++ THE ELECTRIC AUTO-LITE COMPANY recalled several hundred more workers, due to the success of their electrical clocks and increased demand for automotive equipment.

+++ FACTORY EMPLOYMENT IN ILLINOIS is 15 per cent above July, August and September levels, according to the Illinois Department of Labor.

+++ OCTOBER BUILDING PERMITS in the following cities exceeded September—New York, Los Angeles, Cincinnati, Baltimore, Milwaukee and Buffalo—and in the following cities the October figures exceeded both the previous month and the corresponding month of last year—Albany, Pittsburgh, Fort Worth, Syracuse, Topeka, Oakland, Denver, Memphis and Newark.

+++ LUMBER ORDERS for the week ending November 7 exceeded production by 20 per cent.

+++ DURING OCTOBER, LOFT, INC., showed a gain in customers of 701,675 and a dollar sales increase of 27 per cent.

+++ OCTOBER BANK CLEARINGS in 123 cities rose 4.5 per cent over the September level.

+++ THE NATIONAL TUBE COMPANY is recalling several hundred workers to its seamless plant after a few months of virtual inactivity.

+++ NATIONAL BISCUIT COMPANY is erecting a new plant at Cambridge, Mass., which will employ about 5,000 workers.

+++ OCTOBER SHIPMENTS OF WILLIAMS OIL-O-MATIC exceeded those for any month in the history of the company since 1927.

+++ THE NORGE CORPORATION continues to show enormous gains. October was 892 per cent better than October, 1930, and the first ten months are 533 per cent ahead of last year.

+++ AMERICAN LOCOMOTIVE COMPANY is hiring 1,500 men for its Schenectady plant to work on a big order from the Lehigh Valley Railroad.

+++ *Iron Age* reports that the recent increase in steel ingot production from 27.6 per cent to 31 per cent of capacity is the most consistent that has been shown in steel activity since the spring.

+++ THE BOEING AIRPLANE PLANT in Seattle reached this week an employment peak for the past twenty months.

+++ OCTOBER DEPARTMENT STORE SALES in 239 principal cities, according to the Federal Reserve Board, showed increases from September to October of somewhat more than the estimated seasonal amount. Districts making the most favorable comparisons with last year were, in order: Boston, New York, Richmond, Minneapolis, San Francisco, St. Louis and Chicago.

+++ BUSINESS DEFAULTS for the week declined sharply from 596 to 471.

+++ IN THE MIDDLEWEST manufacturers of farm implements are reopening their factories with full forces, due to advances in prices of farm products and decline in general unemployment.

+++ THE MAJOR INDUSTRIES OF NEW ENGLAND, as a whole, held their recent gains and some large candy factories are operating day and night. Leading box manufacturers are running to capacity and the wholesale paper business increased slightly.

Account Changes

DESOTO MOTOR CORPORATION, division of Chrysler Corporation, Detroit, to J. Stirling Getchell, Inc., New York. Effective January 1.

ALUMINUM COOKING UTENSIL COMPANY, New Kensington, Pennsylvania, Wearer aluminum, to Gardner Advertising Company, Inc., New York.

L. E. WATERMAN COMPANY, New York, Waterman's "Ideal" Fountain Pen, to Frank Presbrey Company, there. Effective January 1.

SALADA TEA COMPANY, Boston, advertising in Greater New York area, to Batten, Barton, Durstine & Osborn, Inc., New York. Effective January 1.

GEORGE W. LUFT COMPANY, Long Island City, Tangee lipstick, rouge and other beauty preparations, to Cecil, Warwick & Cecil, New York. Effective on general magazines with May, 1932, issues.

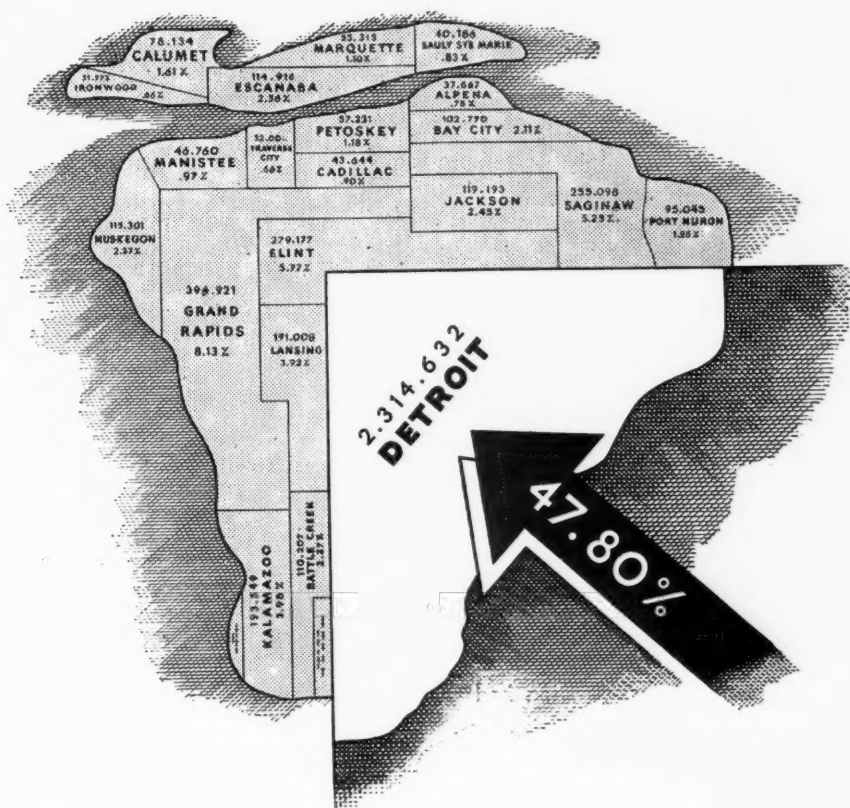
JOHNSON MOTOR COMPANY, Waukegan, Illinois, outboard motors, to Lampot, Fox & Company, South Bend, Indiana.

E. T. WRIGHT & COMPANY, INC., Rockland, Massachusetts, Arch Preserver Shoes for men, to Badger and Browning, Inc., Boston.

E. RICHARD MEINIG COMPANY, Reading and New York, women's underwear and gloves; and MEINIG HOSIERY COMPANY, women's silk hosiery and men's half-hose, to McLain Organization, Philadelphia.

BURD PISTON RING COMPANY, Rockford, Illinois, Burd piston rings, to Western Advertising Agency, Inc., Racine, Wisconsin. Business papers and direct mail.

WHEELER SHIPYARD, INC., Brooklyn, New York, Wheeler Playmate Cruisers, to Parish-Burnham, New York. National and class magazines and newspapers.



Where is Michigan?

TO THE MAN with something to sell, the State of Michigan is not simply a political division within a boundary line marked upon a map. *It is a territory where people with buying power dwell!* Approximately 4,845,000 people live within the boundaries of Michigan. These people, grouped into 1,184,000 families, constitute the living State of Michigan. Where can these people be found? . . . Almost half of them, actually about 2,300,000 in number, or 47.80%, live in the Detroit trading area! . . . 1,700,000 within the city's limits! . . . A careful independent analysis of the circulation of *The Detroit News* demonstrates that this one paper reaches 71% of the Detroit homes having an income of \$3,000 or more. With the largest circulation in Detroit, more than three-fourths of it is actually delivered by hand into Detroit homes! . . . If you want to sell anything in Michigan, advertising in *The Detroit News* will provide you with the most powerful and immediate approach to the buying power of this state.

The Detroit News

THE HOME NEWSPAPER

New York Office:

J. A. Klein, Inc., 50 East 42nd St.

76% carrier-delivered in Detroit

Member Major Market Newspapers, Inc.

Chicago Office:

J. E. Lutz, 180 N. Michigan Ave.

Editorials

A STRIKING EXAMPLE: The financial departments of the newspapers report that sales by the Loft candy stores in the ten months ended October 31, amounting to \$11,082,278, were \$4,201,428, or 61 per cent, greater than in the same period of 1930. The advertising columns of the newspapers in those months this year have borne evidence of unusual promotion efforts put forth by the company. Brought together, the facts are significant. The new management of this organization has taken advantage of the hesitation among other distributors begotten of a disturbed situation. Convinced that an aggressive policy would enjoy unusual advantages at a time when competitors were inclined to await more propitious conditions, Loft has gone boldly into the arena of consumer buying and found abundant reward. . . . The case is not an ordinary one. Preparation had been made. New ideas were developed before much was said about them. But once the story was complete, it was launched with no misgivings. The fact that a bad slump was under way caused no postponement in the execution of the plan. Convinced that the public would buy if the right kind of goods were offered at attractive prices, the company went ahead as soon as it was ready. The gains made would be surprising, if not sensational, under any circumstances. In view of the general state of affairs, the expansion is noteworthy enough to merit special attention as an example of what can be done in times like these by men of clear vision and wise courage.

TEMPTING COMPETITION: Gordon C. Corbaley, president of the Food Institute, has issued a timely statement on the dangers of abnormally high profits as breeders of destructive competition. We are passing through an anomalous period characterized in the main by a trend to low prices which are offset by notable exceptions, especially among advertised brands. In this phenomenon Mr. Corbaley sees illustration of his thesis. He sets the case out in this language: "Five years ago advertised brands were enjoying a golden harvest because the chain systems were featuring them in price merchandising. The grocery chains employed price appeal as their most effective force. The exact comparison necessary to command confidence is possible only with standardized commodities—staple bulk goods and advertised brands. . . . Today established brands are still a standardized part of chain merchandising, but their relative importance and volume have declined. The chains have realized the futility of excessive price-cutting and naturally turned to featuring more diversified commodities. Also there has been a quite human tendency to seek greater profit by substituting other brands for a part or all of the merchandise

handled at less than profitable margins." . . . It is far from our minds to say a word in favor of profitless business. We are inclined, however, to agree with Mr. Corbaley's implication that it is possible to push a good thing too far. The introduction of private brands has no doubt been encouraged by relatively high prices for a good many standard brands. These prices, suggesting wide margins of profit, furnish opportunities to large distributors, and any successful excursion into the field of production tempts them to further attempts. Manufacturers enjoy advantages of experience and training which should protect them against such encroachments. But these advantages will not save them from competition if they are used to buttress a price edifice which is substantially out of line with current economic conditions.

THE CHAINS DISCLOSED: Now that the Census of Distribution figures on chain stores have been published we have for the first time a clear picture of mass selling at retail. These linked stores, we learn, do more than a fifth of all our consumer trade, a substantial part. But chains of national range, of which it seems there are only 321, have less than one-tenth of all the business, the sectional chains have less than one-twentieth, while local chains take one-fourteenth. The most significant item in the compilation, however, is the relatively low average volume of the independent dealers, scarcely more than one-half that of the chain stores. The chains carry the principle of mass selling down to the single outlet. Great numbers of independent dealers are engaged in serving very small groups of customers. The chains, in other words, do a retail business on a wholesale scale, while many of the independent dealers are still struggling to make good on a retail scale. The chains, too, ubiquitous as they seem, are massed in only a few fields. Five groups, each having a volume exceeding half a billion dollars, do nearly four-fifths of the entire chain store trade, and a third of all the chain store selling is done by food stores, while another third is controlled by chains that sell through general merchandise and wearing apparel stores. . . . How much farther the chain movement is likely to go is a question the census figures do not answer. It has traveled at a swift pace since the Great War. It is still going forward, spurred by the present economic conditions which give to the consideration of retail prices an unusually important place in the mind of the consumer. But the multiplication of chains has brought the movement into a new phase. In the heyday of their growth they gained popularity rapidly because of their ability to sell goods at very low prices. How they will fare in competition among themselves remains to be seen.

THERE IS

ENTERTAINMENT IN THE AIR



and we bring it TO YOUR ROOM

"... Here it comes... another pass. Oh, a beauty—right down the center of the field. He's got it! He's away—no one near him. How that boy can run... he's over! It's a touchdown... what a play!"

You, comfortable in your Statler room, get a vivid picture of the game... play by play... over the radio. You get, also, a graphic account of all the day's varied events—prize fights and election returns—ovations and Presidential addresses—jazz bands and symphonic music—all the thrills, amusement, entertainment with which the air abounds.

Such diversion has been enjoyed by Statler guests since 1927—when Statlers were the *first* hotels to equip *every* room with free radio reception—the *first* to give hotel guests controlled radio entertainment which they could enjoy without disturbing their neighbors, or being disturbed.

Now, *every* Statler room has a loud speaker, simple in operation, velvet-toned—yet so clear in reception that you can enjoy radio entertainment in any part of your room.

We're proud of our pioneering in hotel radio installation—proud to have recognized the part radio was destined to play in *modern hotel* equipment. This same pioneering spirit led us, years ago, to provide *every* room with private bath and circulating ice water, to place a morning newspaper under the door—and to innovate many other hotel conveniences now deemed necessities.



Statler Radio Bedside Table

A LOUD SPEAKER IN EVERY ROOM

Every Statler room is equipped with a loud speaker of the clearest tone, yet of the pitch of ordinary conversation. In the majority of rooms it is unobtrusively placed where it can be reached as easily and conveniently as the bed-head reading lamp.

HOTELS STATLER

BOSTON BUFFALO

CLEVELAND DETROIT ST. LOUIS

in NEW YORK, Hotel Pennsylvania

Gossip

... Van Sant, Dugdale & Corner, Inc., Baltimore advertising agency, opened a branch in the Syracuse Building, Syracuse. EDWARD S. BARLOW becomes vice-president in charge of the new office. Mr. Barlow previously was president of Barlow, Feeley & Richmond, Inc., Syracuse agency.

... JOHN H. MOORE, formerly treasurer of the Pabst Corporation, Milwaukee, and previously with the University of Wisconsin School of Commerce and Wisconsin State Tax Commission, has joined Erwin, Wasey & Company, Chicago office, as a manufacturing, sales and marketing counselor.

... WILLIARD FAIRCHILD has become art director for the New York office and art consultant for the Cleveland and San Francisco offices of Fuller & Smith & Ross, Inc. He had been art director of Batten, Barton, Durstine & Osborn, and for several years was secretary of the Society of Illustrators and secretary of the Art Directors' Club.

... HARY A. GERSON, president of the Ogden Printing Company, has acquired a controlling interest in William Green, Incorporated, advertising agency, both of New York—new officers of William Green, Incorporated, being Mr. Gerson, chairman of the board; JOHN J. O'DONNELL, formerly a director, vice-president and general manager, president; and Miss A. L. GREEN, daughter of the late William Green and for the last five years in charge of production, secretary.

... MARTIN J. WOLF, Marketing Adviser, has opened offices at 400 West Madison Street, Chicago. He will specialize on "service on product, price level, program and follow through" for electrical, radio and automotive products.

... PAUL CHRISTIAN, until recently vice-president of Consolidated Cigar Corporation there, is now vice-president of L. H. Hartman Company, Inc., New York agency.

... R. STEELE SHERRATT, advertising manager of Winthrop Chemical Company, New York, has become vice-president of the Equity Advertising Agency, there. Mr. Sherratt is a former president of the Association of Advertising Men.

... FRANK B. WHITE, Chicago advertising agent, has been made chairman of the publicity committee of the American Poultry Association, there.

... WESLEY T. JONES has resigned his advertising position with the Clinical Laboratories Company, to become advertising and sales manager of Tempo Books, Inc., New York, publisher of health science books.

... JOSEPH L. HARDIG, at one time advertising manager of the Hyatt Roller Bearing and Remy Electric companies, and for the last eleven years with Campbell-Ewald Company, Detroit Agency, has been appointed assistant general manager.

Surplus Spendable Income— A Target for Sales Managers

(Continued from page 272)

of the family's income. The \$464 spent by every person in the Detroit shopping area, then, in retail establishments, may be considered roughly 60.9 per cent of the per capita *usual* expenditures necessary to maintain the standard of living. According to the statistics compiled by SALES MANAGEMENT, the per capita spendable income of Wayne County (in which the Detroit shopping area is located) was \$1,107 in 1929.

If \$464 is 60.9 per cent of the "usual" or "standard of living" expenditures of each person in Detroit and environs, then \$761 (which is 100 per cent) is all that the Detroiters spends for the maintenance of his standard of living. The difference between the SALES MANAGEMENT figure of \$1,107 and \$761 is \$346, which may be termed the "spendable surplus" available for every soul in this shopping area, held in reserve.

Admittedly much speculation enters into a calculation of this kind. There is no doubt that the percentage for

"necessity" expenditures in the family of the Ford employe (the subject of the study by the Bureau of Labor Statistics) are out of line with the same percentages for families in higher income groups, but if a spendable surplus is in existence it is available for sales managers to work on, even though we are obliged to show it as an average figure, rather than as dispersed over various income groups. As a measure of the reserve spending power of two cities or communities between which a comparison is desired, it should be accurate to a reasonable degree.

Lorin Smith Joins Penn

PHILADELPHIA—Lorin W. Smith, Jr., who has been active in the formation of the "Committee of Ten" of the coal and heating industries, and who has been secretary of the committee, has become an executive of Penn Heat Control Company here, subsidiary of General Electric Company. He will have offices at 120 Broadway, New York, and at 140 Federal Street, Boston.

Heads Polish Chamber

NEW YORK—John B. Stetson, Jr., son of the founder of John B. Stetson Company, and for five years American Minister to Poland, has been elected president of the American Polish Chamber of Commerce.

Hotels' Refusal to Reduce Rates Hurts Their Business, and Others

(Continued from page 278)

bottom there may have been a general shifting around of guests, but with no material effect on the total business. Operating costs remain unaffected, but revenue shrinks."

Mr. Green appealed to the above-mentioned executive's economic vanity. "No superficial economy," he pointed out, "could compensate for the direct and indirect losses which would result to you and others from further curtailment of hotel expenditures. To ask for your men advantages not enjoyed by other travelers would, we are sure, cost more in good will and prestige than could conceivably result from slightly reduced traveling expense."

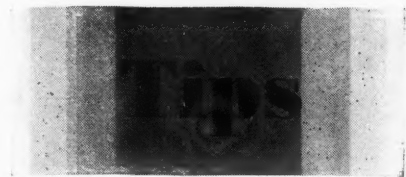
The sales executive already had encountered this problem. "Our stumbling block," he told this magazine, "is the general attitude of competitors. Most of the salesmen of the better lines in our industry feel that they must go to the most expensive and ritziest place as a matter of keeping up their representation. We have talked over the matter frankly with our competitors, and they have shown a desire to cooperate.

"Of course, I know there is a good

deal to say on the other side of it," he explained. "The hotels are not filled. (But we ourselves have been working only two days in some departments.) And I think, too, that today the hotels can buy many replacements—such as linen, china, glass, carpets, etc.—for much less than they could two years ago. Some of them are owned by holding companies, who collect rent based on 1929 estimates of business. That hardly seems to be in the cards when landlords everywhere are making rent concessions in line with greatly reduced real estate and rental values.

"Fictitious set-ups do not justify high rates.

"My own feeling as I read through some of these alibis has been, what a pleasure it must be just to sit in these hotels waiting for business and finding it impossible to do anything about rates! I wish we could find it impossible to do anything about a lot of things, but we can't. Lucky are the hotel men who just have comfortable seats, well cushioned with dollars. They must be chuckling to themselves as the rest of us are forced to do many things we never thought of before."



These most valuable booklets of the week will be sent free to executive readers who make a separate request for each one on their business letterheads. Booklets will be mailed by the companies which publish them.

Address SALES MANAGEMENT, Inc., Reader's Service Bureau, 420 Lexington Avenue, New York.

Merchandising

Automatic Merchandising. Is your product the kind of thing the sensitive customer—such as the man sent to the store by his wife—might shrink from asking the clerk for? Or would an easily embarrassed woman hesitate to ask for it out loud? Have you despaired over the problem of the hurried customer who dashes into a store to purchase your product and gives it up when she spots the crowds at the counter? Have you given thought to the purposeful woman who resents being "sold" and likes to help herself?

These are a few of the consumer types which this booklet discusses as logical prospects for purchasing by the automatic method. If you've been dead set against automatic selling machines for the vending of your product, you'll nevertheless be interested in this impartial discussion of automatic merchandising by the Mills Novelty Company, who frankly air its limitations and, what is more interesting, describe the recent revolutionary developments within the industry.

Do you know of any present merchandising mechanism which will hold up to 400 different items at one time (depending on size) and requires only one square foot of floor space? Do you know of a satisfactory one that requires no manual operation by the customer?

Progressive firms seeking new distribution outlets or ways to lower present distribution costs will be interested in the booklet.

Visual Presentations

Super Salesmanship Comes in Cans. If you are still debating the old question of whether or not to use standardized sales presentations, and are just waiting to be shoved to one or the other side of the fence, here's a thin little booklet that will do a quick, neat job on the pro side. It appears that once upon a time Walter S. Rowe of the Estate Stove Company made a speech before the Dayton Advertising Club on visual selling literature that the Burkhardt Company considered such hot stuff that they've reprinted it for distribution among sales and advertising executives.

Radio Advertising

Does Radio Sell Goods? In describing the contents of this booklet we can do no better than to quote from its opening page: "A laboratory measurement of the sales effectiveness of radio broadcasting based on a study of the relative consumer use of radio advertised products in radio homes and non-radio homes in ten representative cities."

Then as to method: "Radio is uniquely susceptible to a scientific approach in measuring its effectiveness. . . . Isolate

a group of people who do not possess radio sets . . . immune to the effect of radio-advertising (but) exposed to magazine and newspaper advertising, etc., to an equal degree with other people . . . compare the purchases of this group with the purchases of a group of radio owners of the same income levels . . . thus measure the specific effect of radio advertising, the only factor not common to the two groups . . ." For test purposes questionnaires included brand popularity queries on the following products: toothpaste, toilet soap, flour shortening, scouring powder, shaving soap, collars, cigarettes, cigars. The presentation of results is divided into four phases:

1. A general summary.
2. A report by categories.
3. A report by individual products.

4. A report by individual cities.

The conduct of the study was in the hands of Professor Robert F. Elder of the Massachusetts Institute of Technology, and was sponsored by the Columbia Broadcasting System.

Markets

Standard Market Data, issued for Akron, Ohio. There are now available several new standard market data forms among which is this one compiled by the Akron Beacon Journal. The cover presents a county map of the trading area of the market, with figures shown in each county for total families and newspaper circulation. The usual data on population, standard of living, industries, wholesale and retail outlets, transportation facilities and public utilities are provided.

Bursting the Bubble

"Many farmers live in towns and drive out daily to their farms"—

is a story certain farm publications tell to advertising men unfamiliar with farm life, to justify much town circulation.

The fallacy of this story is proved. Only 133,000 farmers* live in cities and towns over 2,500 population—comparatively unimportant even if all subscribed to one magazine. Altogether only 250,000 farmers live away from their farms.

(*Not including 300,000 farm laborers in towns)

The Farm Journal is far ahead in the farm field, and with its recent farm circulation increase, now reaches:

- nearly 40% more farm families than the nearest two publications.
- over 70% more than the fourth.
- nearly double the fifth.

. . . . comparisons based on R. F. D. reports which have proved accurate measures of relative farm circulation.



A publication's dominance in its group is proof of quality, character and particular appeal to the class of readers for whom these publications are edited, the great unseen value to the advertiser.

The NATIONAL Farm Journal

Philadelphia—New York—Chicago—Detroit

Dominant on Farms—Covers Richest Sections—Greatest Pulling Power

—AND NOW, ON
WBZ-WBZA, THE
NEW YARDSTICK
OF
AUDIENCE VALUE



Six months ago Westinghouse Radio Stations announced "a new yardstick to measure AUDIENCE VALUE in radio advertising." From North, South, East, and West have come requests for added information. The whole radio advertising world, apparently, has become aware that something unique and significant has resulted from our studies of listening habits and audience response in areas reached by KDKA.

One question, many times repeated, has been, "How soon can we obtain similar information for New England? When can we have the benefit of the new Westinghouse yardstick on Stations WBZ-WBZA?"

Plans which were already under way when our first announcement was made have now been carried out. Today we have, for WBZ-WBZA, the same kind of information as is available for KDKA.

We can tell you, for instance, that the average daily audience of WBZ-WBZA in New England alone totals

421,000. We can show specifically that this audience spreads out over EVERY TRADING AREA OF NEW ENGLAND. We have evidence showing that ONLY THROUGH WBZ-WBZA WILL YOU REACH, WITH A SINGLE GROUP OF STATIONS, EVERY TRADING AREA OF THE FERTILE NEW ENGLAND MARKET.

To advertisers interested in New England, the data we have on WBZ-WBZA is as vital as the KDKA information has been to those concerned with Pittsburgh and its nearby trading areas. No radio advertising plans in New England should be made without a careful study of this new material.

Let a representative of Westinghouse Radio Stations give you detailed evidence. This is a good year to pass up conjecture and get down to FACTS.

WESTINGHOUSE • RADIO • STATIONS

WBZ-WBZA

Boston, Mass., Hotel Bradford
Springfield, Mass., Hotel Kimball

KDKA

COMMERCIAL OFFICES

Pittsburgh, Pa., Hotel William Penn

KYW-KFKX

New York, N. Y., 50 East 42nd Street
Chicago, Ill., 1012 Wrigley Building

What Rockne Taught Studebaker about Teamwork in Selling

(Continued from page 269)

Mullins carry the ball? How many times did Brill carry the ball, and how much did they average on each attempt? How many forward passes did we try and how many were completed?

"On the plays that failed, which man is responsible, who failed to function 100 per cent? On forward passes, which man failed to block for the passer?"

"Every time an opponent made a tackle, which of our players failed in his specific assignment of taking care of his specific man? When we got on the goal line why didn't we score? When we got Schwartz loose in the open, why didn't he score? What individuals fell down in picking off the secondary and safety men? Our chart tells.

"Sometimes we feel like tossing that chart away and saying, 'Oh, well, we won again, we've got a good team and we ought to win again next week.' But we've learned, by sad experience, that in competition as keen as modern football we can't keep winning unless we keep improving and we can't improve unless we have the facts—all the facts.

"You may be content to just 'get by.' But if you are going to have a really successful team of salesmen, you've got to do the same thing. You've got to have the facts—all the facts about every player and every department of play."

Rockne's detailed study of the play of every man on his squad has particular application to the sales field. He never relied on mass training or dealt in general criticism. It was his work on the individual player that brought the result. He considered it his responsibility to bring out the best in every man and his training was not complete until that had been accomplished. Similarly, a sales manager is a trustee of the potential worth of every salesman in his employ. It's his job to put enough time and effort into training every individual so that the maximum worth of each will be brought out.

Supervision—Rockne was a perfect disciplinarian. His players respected and loved him. He was kindly but extremely strict. His men knew they had to report on time and attend strictly to business while they were in the lecture room or on the playing field. If they didn't they went off the squad and there were no favorites.

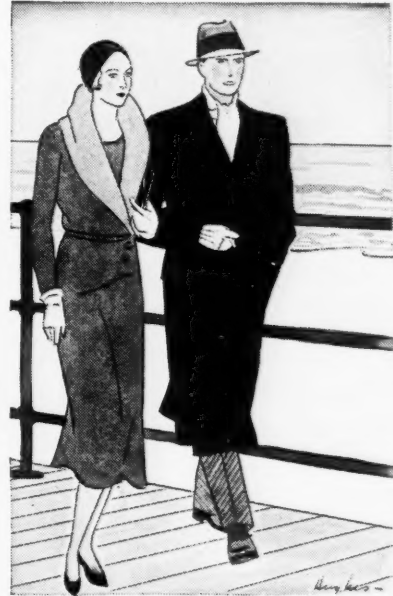
Salesmen respond to the same type of discipline enforced by Rockne. They do not want an easy-going, lenient boss. They instinctively know that they cannot do their best work or make the most money under lax leadership. It is the job of a sales manager to know where his men are every day and what they do. Without such knowledge true helpfulness cannot be extended.

Inspiration—Rockne was known as a great inspirational speaker. He was—but only on rare occasions did he speak to his team as a group. On those rare occasions he fired them with his eloquence and sent them out determined to do better than they knew how. Rockne's real inspirational work, however, resulted from his understanding contact with his individual players. He knew his boys psychologically. One might need a smart wisecrack to jar him out of his complacency; one, a word of encouragement. One might respond to an emotional appeal and one to logic. Each one received the precise stimulant needed.

Every sales manager can take a leaf from Rockne's book on morale building. On rare occasions an inspirational address may help, but the old-fashioned daily pep talk has long ago outworn its usefulness. It's knowing how to say the right word to the individual that keeps a sales force on its toes, realizing fully on its possibilities.

In conclusion, we are wont to recall the good old days when sales rolled in with little effort and, when one asks about the present, say, "Times are bad." Times are not buoyant, but it is a fact that out of the so-called good times comes nothing but soft living and loose thinking. All social and business progress comes out of our so-called bad times. As far as sales management is concerned, it is confronted with a great responsibility and a great opportunity. Hard-working, hard-thinking sales management can contribute much to a quick return of prosperity. Application of the Rockne spirit and the Rockne training to any sales organization should put it on the road toward championship.

DETROIT—C. P. Fisk, for the last three years manager of the Indianapolis Zone for the Chevrolet Motor Company, has been appointed head of the company's commercial car department.



Be thankful this Thanksgiving

SPEND the holiday at the seashore. At Chalfonte-Haddon Hall . . . where there's a year-round array of things to be thankful for. Sea and sun and salt air . . . and every consideration for your comfort that thoughtfulness can provide.

Chalfonte-Haddon Hall is hospitable, friendly, informal . . . a happy choice for a Thanksgiving visit. Come for the day or stay the week-end. Walk the boards and enjoy the tonic sea breezes. Ride on the beach, play squash, golf, lie in the sun, take health-baths. Achieve an appetite that will make you doubly appreciative of the bountiful Chalfonte-Haddon Hall Thanksgiving dinner.

Fall and winter rates are in effect . . . just one more thing for which to give thanks. Write for information.

American and European Plans

CHALFONTE-HADDON HALL

ATLANTIC CITY

Leeds and Lippincott Company

Media

Philip Kobbe has cut out for himself a considerable stint in grappling a job everybody in the advertising and publishing game has conceded needed doing—but nobody before has made up his mind on how it might feasibly be approached. In January Philip Kobbe will have ready for distribution the *Magazine White Book* for buyers of space. It will be the nearest thing we have to a qualitative comparison of 119 magazines, on the basis of a new classification of advertising accounts, extended into forty-nine subdivisions. Listing them alphabetically, the subdivisions run like this: automotive, books, cigars, cigarettes and tobaccos, clothing, drugs and cosmetics, farm equipment, financial and insurance, etc., etc. If you are willing to accept the premise that the number of accounts which a magazine carries in any one of these classifications is a true index of its value as a medium for advertising in that classification, here's the answer to the qualitative riddle. A manufacturing or agency executive interested in placing a passenger car campaign, for instance, turns to the automotive classification, and finds a list of all general magazines and the number of passenger automobile accounts carried during 1931. Magazines marked with a star have bought pages to supply amplified information about their medium in any classification immediately following

the classification listing. In the detailed data supplied by individual magazines is given trend of advertising in classification under consideration from 1928 to 1931; circulation trend (1928 to 1931); geographical distribution; character of circulation; editorial policy, and miscellaneous remarks.

* * *

The New York *News* is riding the automotive industry hard—taking it to task in no uncertain terms for its relative backwardness in the use of the *News* as an advertising medium. It's using the *Automotive Daily News* as the vehicle for its scolding, to wit: "If nothing more is expected from automotive advertising than has been realized in the past; if space is still to be traded for placid publicity in static sections; if personal acquaintance is still adequate reason in New York media selection—go ahead, dust off the old lists; spend the money the same old way." And here's a jerker: "Remember, too, that for several years *News* space has been the highest-priced newspaper space in this country. *News* schedules cost real money, came only from real conviction."

So why should the automotive industry consider the *News*? Because the cost, in spite of high space-price, has been—per reader, per milline, per results—unusually low.

Because every single month of every single year for the last twelve years has shown an increase in *News* advertising lineage over the same month of the previous year—including 1931.

And after all the finger-shaking, here's a gentle pat on the automotive shoulder: "Even automotive advertising in the *News* shows a gain of 60,900 lines in the first ten months of this year."

* * *

Here's a chance for architects, artists, designers, typographers, lay-out men and representatives of advertising agencies to make \$500 and leap to fame as the author of a new format for *Architectural Forum*. The competition program calls for the design of six pages of the magazine; two covers (the magazine is published monthly in two volumes), the contents page, the first editorial page, one text page and one plate page. Complete details may be had from the Competition Secretary. The *Architectural Forum*, 220 East 42nd Street, New York City.

Do you have any ideas on whether suburban small towns or independent small towns are responsible for the 15.67 per cent increase of small town population, 1930 over 1920? Rene Pepin of the *Household Magazine* was in a position where he was constantly confronted with the question of whether population increases lay in the category of city increases or small-town (towns 10,000 and under) increases. When SALES MANAGEMENT's population studies of principal markets and tributary areas became available, therefore, Mr. Pepin pounced on it and drew from its findings certain definite conclusions with which to combat all contenders for population increase honors. If you're interested in Mr. Pepin's analysis and conclusions, we might be able to prevail upon him to show you the results of his study.

* * *

Dr. H. C. Parmelee, formerly editor of *Chemical and Metallurgical Engineering*, and at one time secretary of the American Institute of Chemical Engineers, has been elected a vice-president of the McGraw-Hill Publishing Company by its board of directors. Thus reads the bare announcement of the promotion as released by the Newspaper Service Bureau of the McGraw-Hill Publications. It reminded us of a friendly little piece of gossip that escaped from the McGraw-Hill's editorial offices a long time ago. It appears that Dr. Parmelee had fallen from the good graces of his that-time chiefs, and was being threatened with having his name mopped off the *Chem* and *Met* editorial masthead. Being its editor, and on a friendly footing with its subscribers. Dr. Parmelee made a candid announcement to his subscribers that he was being fired, and would somebody give him a job, please. Same subscribers put up such a holler over the proposed change that, instead of giving him the gate, the management gave him a raise. That was seven years ago—and now see where he is.

* * *

Sidney W. Deane, Jr., manager of the trade and technical department of J. Walter Thompson, New York, has been elected a director of the Controlled Circulation Audit, Inc., the audit organization that has been formed by a group of prominent national advertisers and advertising agencies for the purpose of auditing controlled circulation business publications.

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IF YOU ARE OPEN TO OVERTURES FOR new connection and qualified for a salary between \$2,500 and \$25,000, your response to this announcement is invited. The undersigned provides a thoroughly organized service of recognized standing and reputation through which preliminaries are negotiated confidentially for positions of the calibre indicated. The procedure is individualized to each client's personal requirements, your identity covered and present position protected. Established twenty-two years. Send only name and address for details. R. W. Bixby, Inc., 118 Downtown Building, Buffalo, N. Y.

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\$50 to \$50,000 DAILY SALES SECURED FROM our clients. This distributor took on a new specialty, retailing at \$60. His first purchase \$12. We submitted a sales program capable of national expansion. Within four years his sales were nationwide, running to \$100,000 monthly. 35 years salesmanship-in-print experience back of our campaigns. Submit sales problems for free diagnosis. 10 years Sales Promotion Manager, Larkin Co. James C. Johnson, 119 Woodbridge Ave., Buffalo, N. Y.

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